

The Global Newspaper
Edited and Published
in Paris
Printed simultaneously in Paris,
London, Zurich, Hong Kong,
Singapore, The Hague, Marseille,
New York, Rome, Tokyo, Frankfurt.

Herald Tribune

Published With The New York Times and The Washington Post

No. 33,952

17/92

LONDON, SATURDAY-SUNDAY, APRIL 25-26, 1992

Andorra... 1,000 Ptas
Austria... 13.76 S.
Belgium... 20.36 B.
Canada... 1.76 C.
Denmark... 16.46 D.
France... 6.55 F.
Germany... 1.36 M.
Greece... 166.4 Dr.
Hong Kong... 7.80 HK.
Italy... 1,360 L.
Japan... 163.60 Y.
Korea... 200.00 W.
Luxembourg... 36.36 L.
Netherlands... 2.20 G.
New Zealand... 1.52 NZ.
Norway... 136.48 N.
Poland... 100.00 Z.
Portugal... 200.48 Esc.
Spain... 166.64 Ptas.
Sweden... 13.76 S.
Switzerland... 2.00 S.
Taiwan... 20.00 N.
Thailand... 50.00 B.
United Kingdom... 1.52 S.
United States... 1.36 D.
West Germany... 1.36 M.
Yugoslavia... 100.00 D.

ESTABLISHED 1887

Cracks Are Forming In Kohl's Showcase

Disputes on Growth and Trade Threaten the Munich Summit

By Tom Redburn
International Herald Tribune

WASHINGTON — The July summit meeting in Munich of the leaders of the seven industrial powers has long been seen by Chancellor Helmut Kohl as a unique opportunity to showcase reunified Germany's triumphant return to a central role on the world stage. But to judge from developments here this week, the event is fast shaping up as a potential fiasco.

The failure of the European Community and the United States to settle their long-running GATT trade dispute over farm subsidies threatens to disrupt Mr. Kohl's planned show of Western unity on aid to the new nations of the former Soviet Union.

At the same time, Germany is faced with growing criticism from its partners, bolstered this week by a stern admonition from the International Monetary Fund, that its fiscal and monetary policies are impeding economic growth in the industrial world. The issue is not expected to erupt into a confrontation at the meeting Sunday of finance ministers and central bankers from the Group of Seven leading industrial nations. But it promises to simmer as long as Germany's interest rates remain so high.

Even the expected approval of Bonn's Western aid package for Russia could be marred by indications that the program is unlikely to stop the unraveling of the Russian economy anytime soon.

Unfortunately for Mr. Kohl, there does not seem to be much he can do to escape these dilemmas.

"If Chancellor Kohl wants to have an acceptable summit, he has to have some success," said Norbert Walter, Deutsche Bank's chief economist. "But he doesn't have many options."

Unable to resolve the deadlock over agriculture that has blocked a GATT settlement since a December 1990 deadline, President George Bush and European Community leaders vowed on Wednesday to try once again to break the impasse. The new target date for unblocking the talks under the General Agreement on Tariffs and Trade, known as the Uruguay Round, is the end of June. That falls just before the July 6 opening of the three-day Munich summit meeting.

The White House hopes that Mr. Kohl, who is eager to host a smooth



STRIKE IN GERMANY — Hamburg postal workers walked out Friday after their union president, Kurt van Heeren, above, announced that 95 percent of 155,000 members voted to strike. More postal employees and garbage and transportation workers are likely to strike next week. Page 13.

Rebels Win Backing of Generals in The Capital

Guerrillas Strike Deal With Army to Take Over Provincial Stronghold

By Steve Coll
Washington Post Service

KABUL — A senior military commander in Kabul said Friday that he and other generals defending the capital were eager to arrange a peaceful transfer of power to the rebels in Kabul if mujahidin leaders could work out a plan that would permit a broad range of guerrilla factions to take part.

The commander, General Nural Haq Uloomi, who pioneered coalition deals between government troops and mujahidin in the southern city of Kandahar three years ago, also said that Islamic rebels had taken control of the eastern Afghan city of Jalalabad. It was the last provincial stronghold held by the rapidly crumbling central government.

Jalalabad, the site of a series of costly, failed military assaults by the Afghan rebels during the last three years, changed hands peacefully after talks between local rebel commanders and government generals in charge of the city garrison, according to General Uloomi.

Hopes for a political accord to forestall an attack on Kabul soared at one point during the day when a rebel press agency reported that a deal had been struck by leaders meeting in Peshawar, Pakistan. It said they would form an interim government, a 51-member council.

The agency said the council would be led for two months by a moderate, Sighatullah Mojaddidi. Then Burhanuddin Rabbani, a leader of the Islamic Society, would become head of government and lead the country until a more permanent Grand Council could be formed.

There was no immediate mention of a job for Ahmed Shah Masoud, whose forces have virtually taken power in Kabul in the week since President Najibullah tried to flee his besieged capital. Mr. Masoud is the leader of the military arm of the Islamic Society.

The absence in Peshawar of Gulbuddin Hekmatyar, who has joined his forces outside Kabul, also raised doubts about the accord.

Under the plan, the rebel press agency said, Mr. Hekmatyar would become prime minister. But Mr. Hekmatyar's aides said that they knew of no such deal, and it was later reported that other faction leaders had objections to the proposed arrangement.

The guerrilla leaders and Prime Minister Nawaz Sharif of Pakistan were due to name the council at a joint press conference Friday night, but then postponed the announcement, Reuters reported from Peshawar.

General Uloomi said rival mujahidin leaders should agree quickly on the composition of the new administration. "Their decision will bring tears of joy for Afghans," General Uloomi said.

One of the biggest obstacles to a power-sharing deal among the rebels has been Mr. Hekmatyar's refusal so far to join a coalition with his rival, Mr. Masoud. The two influential rebel leaders are from different ethnic groups and have fought a hit-and-run war against each other for years while, at the same time, battling Soviet and Afghan troops.

Urged on by Pakistani leaders, Iranian officials

See KABUL, Page 4

Moves on Balkans Conflict Reveal an EC That's as Fractious as Ever

By Craig R. Whitney
New York Times Service

LONDON — The latest European Community attempt to deal with violence in the Balkans has once again made clear how difficult it will be for the Community to move toward a common foreign and security policy by next year.

A cease-fire negotiated in Sarajevo, the capital of Bosnia-Herzegovina, by the Community's troubleshooters, Lord Carrington and the Portuguese foreign minister, João de Deus Pinheiro, held for a while Friday, but individual Community members immediately went off in separate directions to find a better way of keeping Serbs, Muslims and Croats from shooting at each other in the splintered republics that had been Yugoslavia.

Two EC foreign ministers, Roland Dumas of France and Hans-Dietrich Genscher of Germany, met in France on Friday with Foreign Minister Krzysztof Skubiszewski of Poland and

appealed to the UN Security Council to send peacekeeping forces to Bosnia as soon as possible. A few hours later, the UN secretary-general, Boutros Boutros Ghali, said that this was not feasible.

"The common foreign and security policy doesn't exist yet," said an official of the British Foreign Office, which had been skeptical of the initiative. "Peacekeeping is only possible when there's a peace to keep."

The 12-nation Community has had cease-fire observers in Croatia and Slovenia since last

autumn. But it has neither a peacekeeping force nor the will to use one, not only because of strong disagreements among the 12 about what should be done but also because of differences about how and when sovereign national forces can be sent into conflicts beyond West European borders, according to European observers.

EC leaders agreed at their summit meeting in Maastricht, the Netherlands, in December to try to make decisions on foreign policy and defense jointly, and by majority vote whenever possible, by January 1993.

Referring to the January deadline, a British official said Friday: "Everybody in Europe is setting up units in their foreign ministries to study how to organize so that we won't be flopping around like fish out of water."

But within days of Maastricht, the civil war in Yugoslavia exposed the project's fragility, as Germany threatened to recognize the breakaway republics of Slovenia and Croatia to press Serbia to stop attacking them. The other EC

See BALKANS, Page 4



IT'S BEIRUT, BUT NOT WHAT YOU THINK — A policeman watches a building collapsing in a controlled explosion in central Beirut on Friday as part of the reconstruction program now under way. Sixteen years of civil war heavily damaged much of the city.

Europe-Honed GM Chief Pares Detroit Model Lines

By Lawrence Malkin
International Herald Tribune

NEW YORK — Applying some of the lessons he learned streamlining GM Europe, the new president of General Motors started shaking up the home company Friday and went to Wall Street to raise more than \$2 billion to give him the financial muscle to do it.

John F. Smith announced that worldwide purchasing would be centralized under a European manager, and he appointed new chiefs of North American sales and production to consolidate GM's overlapping domestic models, which have often ended up competing against each other in the same market niche.

This will mean the elimination of many models, but a GM spokesman stressed there was no plan to get rid of GM's valuable names — Chevrolet, Buick, Oldsmobile, Pontiac, and Cadillac. Instead, analysts said the company's nameplates would be more sharply defined, reversing the trend in which separate divisions reached to both high and low ends of their markets to maintain their share of declining overall sales.

The announcement was the first tangible result of the boardroom coup April 6, when directors stripped the chairman, Robert C. Stempel, of much of his operating authority and gave Mr. Smith a mandate to reform GM in North America. The North American operations had a loss of \$8.7 billion last year while the European operations Mr. Smith once headed earned \$1.76 billion, selling mostly Opel and Vauxhalls.

GM simultaneously announced that it would offer 50 million shares of common stock that it expects to yield about \$2.1 billion.

Since the management shake-up, optimistic investors had boosted the stock from \$36 to \$42 a share, making this a good time to raise money. The announcement of the stock offering subtracted \$2.75 a share from the price of the stock Friday, to \$39.625, but analysts expected it to recoup as Mr. Smith goes on the road to explain the details of his plans before the formal stock offering next month.

Mr. Smith told stock analysts in a conference call that he hoped to apply some of the centralizing and simplifying principles he put into effect in Europe.

One Wall Street analyst who heard him, John Casoso of Wertheim Schroeder, said he considered the money would be put to good use: "The signal from management was that the restructuring will proceed quickly, plants would close on time and that the company would outsource more parts," or subcontract for their supply.

Mr. Smith has been meeting with GM executives

See GM, Page 14

For May Day, Moscow Has a Square It Wants to Sell to the West

By Celestine Bohlen
New York Times Service

MOSCOW — Red Square is getting ready for a new May Day look.

Posters of happy workers and peasants are out of fashion, as are giant portraits of Lenin, the founder of the Soviet state.

This year, for its first post-Communist spring holiday, the city of Moscow is offering Red Square as a giant backdrop for Western advertisements, which will run from the walls of the Kremlin to the airspace over the mausoleum where Lenin's body lies in state.

The idea is just a week old and already an American company has expressed an interest

in one-day monopoly rights to Red Square, for the round sum of \$1 million, said an official at the Itar-Tass news agency, which is handling the account.

"A couple of companies have expressed interest in parts of the package, but one company has said they would like to buy the whole thing," said the official, Igor Makurin.

Mr. Makurin is director of international business development for Itar-Tass, successor to the old Tass, which was once the official mouthpiece of the Kremlin.

By the whole thing, Mr. Makurin meant three sides of Red Square and two blimps flying above. To avoid assertions of disrespect,

no advertising space is being sold by St. Basil's Cathedral or by Lenin's tomb.

But a billboard will be available next to — not on — the Kremlin wall behind the traditional spectators' viewing stand, along the giant facade of the GUM department store and down the side of the Moscow History Museum.

Each space has its own price, but the price for the whole is a nonnegotiable \$1 million, said Mr. Makurin, a former New York correspondent who said he had reactivated his old network of contacts to drum up business for the May Day extravaganza.

This year, the city of Moscow has decided to hold a big party on May Day rather than imitate the old parade of workers and Communist Party stalwarts who used to flock by the Lenin Mausoleum.

The festivities will be split among Red Square, the Manezh Square next to it and the Alexander Gardens, which lie on the other side of the Kremlin. They will feature 3,000 performers, from the Bolshoi Theater to church choirs, who will play, sing and dance in five separate arenas, said Valeri M. German, commercial director of the May Day holiday.

With prices being rising almost weekly, the cost of the event soon stretched beyond the city's means, which led organizers this month

to look for "sponsors." The word is common in Russia today as institutions, from schools to circuses, look for a magic solution to their financial crisis.

"Red Square is not for sale," Mr. German said. "Sponsors of our holiday will simply have the right to display their advertising there."

After the holidays, which will turn into a long weekend for Russians, whatever is left from the \$1 million that the city hopes to get from the Red Square advertising will go back to the city budget, Mr. German said.

The main point of the holiday is to return to

See SELL, Page 4

Kiosk

Andreotti Quits, Cossiga May Too

ROME (Combined Dispatches) — Prime Minister Giulio Andreotti announced his resignation on Friday, opening the way to negotiations to form Italy's 51st postwar government.

But the political situation was further confused by reports that President Francesco Cossiga, whose seven-year term ends in July, was considering resigning immediately. His resignation would provoke a constitutional crisis, forcing Parliament to start seeking a successor before a new government was formed. (AP, Reuters)

General News	Page 1
Ross Perot took some shots at the Bush record.	Page 3
Crusader	Page 4

The Dollar in New York	
DM	1.651
Pound	1.777
Yen	134.50
FF	5.5725

Dow Close	
	3,324.46
Down	24.15

Octopus: Not Just a Pretty Face

Brainy Mollusk Can Learn a Task by Watching

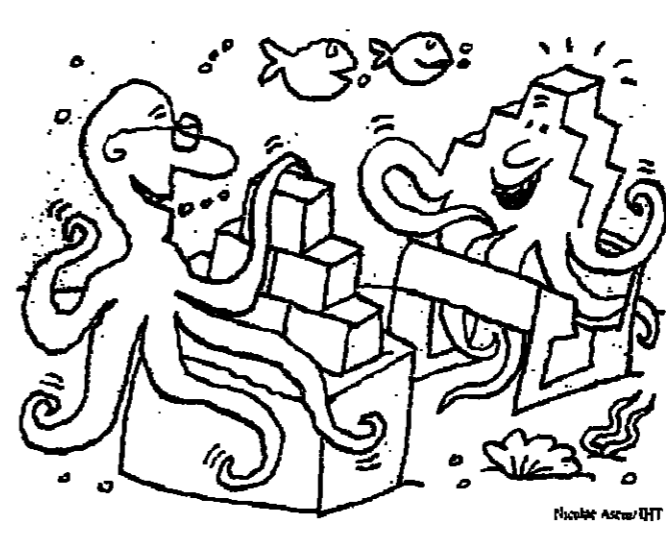
By Boyce Rensberger
Washington Post Service

WASHINGTON — The lowly octopus has a surprising intellectual ability, two brain researchers report: It can learn a task simply by watching another octopus do it first.

Learning by observation, which might in this case be described as "octopus sex, octopus do," is considered a very advanced form of learning — one that is possible, some argue, only in a brain almost on the verge of conceptual thought. Such mental capacities have been thought to be reserved to "higher" vertebrates such as mammals and not likely in the brains of invertebrates — like the octopus, which is classified with slugs and clams as a mollusk.

The research was conducted by Graziano Fiorito, a neurobiologist at the Stazione Zoologica, a marine biological research center in Naples, and Pietro Scotto of the Università di Reggio Calabria. Their report was published in Friday's issue of the journal *Science*.

The ability to copy a model, the two wrote, is well known in humans and other vertebrates, and it has been considered preliminary to conceptual thought. In this sense it appears



See MIME, Page 4

Kabul Swarms With Fighters in Broad Alliance

By Edward A. Gargan
New York Times Service

KABUL — Islamic rebel groups that have infiltrated the Afghan capital have moved swiftly throughout poorer neighborhoods, setting up offices, establishing street patrols and manning checkpoints on city streets.

At least 20,000 guerrillas from six major Islamic rebel groups have entered Kabul, and many of the city's sprawling neighborhoods are firmly under their control. Afghanistan's disintegrating government now holds sway only over the center of the capital.

Unchallenged, young guerrillas stroll past shops and houses, brandishing automatic rifles, light machine guns and shoulder-fired rockets with the panache of small-town heroes.

Farid Mazaah, the leading figure in the Homeland Party council that now runs what is left of the Afghan government, said Friday night that it would only be two or three days before a "mujahidin government" was in place in Kabul.

Earlier Friday, Jalalabad, about 130 kilometers (80 miles) east of Kabul, was occupied by a coalition of Islamic rebels and defecting government troops. It was the last provincial capital to yield to the proliferating coalitions of Islamic fighters and former government and militia forces.

The collapse of Jalalabad means that the entire country is now controlled by a melange of alliances and coalitions, all united by their hostility to the dying regime in Kabul, but differentiated by ethnic background or loyalties to prominent leaders.

The infiltration of Kabul and the occupation of many neighborhoods by guerrilla forces is part of a complex strategy by a broad alliance of rebel leaders to protect ethnic minorities in Kabul and to assure that fighters loyal to Gulbuddin Hekmatyar, the extreme fundamentalist leader of the Islamic Party, do not enter the capital, according to rebel commanders.

In Dushaybarah, a densely crowded Kabul neighborhood of adobe houses crowded together by a maze of mud alleys, as many as 6,000 fighters belonging to the Iranian-backed rebel group Islamic Coalition Council of Afghanistan have established an office in a mosque.

The neighborhood is peopled predominantly by the Hazara ethnic group, a Persian-speaking

See KABUL, Page 4

Europe-Honed GM Chief Pares Detroit Model Lines

By Lawrence Malkin
International Herald Tribune

NEW YORK — Applying some of the lessons he learned streamlining GM Europe, the new president of General Motors started shaking up the home company Friday and went to Wall Street to raise more than \$2 billion to give him the financial muscle to do it.

John F. Smith announced that worldwide purchasing would be centralized under a European manager, and he appointed new chiefs of North American sales and production to consolidate GM's overlapping domestic models, which have often ended up competing against each other in the same market niche.

This will mean the elimination of many models, but a GM spokesman stressed there was no plan to get rid of GM's valuable names — Chevrolet, Buick, Oldsmobile, Pontiac, and Cadillac. Instead, analysts said the company's nameplates would be more sharply defined, reversing the trend in which separate divisions reached to both high and low ends of their markets to maintain their share of declining overall sales.

The announcement was the first tangible result of the boardroom coup April 6, when directors stripped the chairman, Robert C. Stempel, of much of his operating authority and gave Mr. Smith a mandate to reform GM in North America. The North American operations had a loss of \$8.7 billion last year while the European operations Mr. Smith once headed earned \$1.76 billion, selling mostly Opel and Vauxhalls.

GM simultaneously announced that it would offer 50 million shares of common stock that it expects to yield about \$2.1 billion.

Since the management shake-up, optimistic investors had boosted the stock from \$36 to \$42 a share, making this a good time to raise money. The announcement of the stock offering subtracted \$2.75 a share from the price of the stock Friday, to \$39.625, but analysts expected it to recoup as Mr. Smith goes on the road to explain the details of his plans before the formal stock offering next month.

Mr. Smith told stock analysts in a conference call that he hoped to apply some of the centralizing and simplifying principles he put into effect in Europe.

One Wall Street analyst who heard him, John Casoso of Wertheim Schroeder, said he considered the money would be put to good use: "The signal from management was that the restructuring will proceed quickly, plants would close on time and that the company would outsource more parts," or subcontract for their supply.

Mr. Smith has been meeting with GM executives

See GM, Page 14

Kabul Swarms With Fighters in Broad Alliance

By Edward A. Gargan
New York Times Service

KABUL — Islamic rebel groups that have infiltrated the Afghan capital have moved swiftly throughout poorer neighborhoods, setting up offices, establishing street patrols and manning checkpoints on city streets.

At least 20,000 guerrillas from six major Islamic rebel groups have entered Kabul, and many of the city's sprawling neighborhoods are firmly under their control. Afghanistan's disintegrating government now holds sway only over the center of the capital.

Unchallenged, young guerrillas stroll past shops and houses, brandishing automatic rifles, light machine guns and shoulder-fired rockets with the panache of small-town heroes.

Farid Mazaah, the leading figure in the Homeland Party council that now runs what is left of the Afghan government, said Friday night that it would only be two or three days before a "mujahidin government" was in place in Kabul.

Earlier Friday, Jalalabad, about 130 kilometers (80 miles) east of Kabul, was occupied by a coalition of Islamic rebels and defecting government troops. It was the last provincial capital to yield to the proliferating coalitions of Islamic fighters and former government and militia forces.

The collapse of Jalalabad means that the entire country is now controlled by a melange of alliances and coalitions, all united by their hostility to the dying regime in Kabul, but differentiated by ethnic background or loyalties to prominent leaders.

The infiltration of Kabul and the occupation of many neighborhoods by guerrilla forces is part of a complex strategy by a broad alliance of rebel leaders to protect ethnic minorities in Kabul and to assure that fighters loyal to Gulbuddin Hekmatyar, the extreme fundamentalist leader of the Islamic Party, do not enter the capital, according to rebel commanders.

In Dushaybarah, a densely crowded Kabul neighborhood of adobe houses crowded together by a maze of mud alleys, as many as 6,000 fighters belonging to the Iranian-backed rebel group Islamic Coalition Council of Afghanistan have established an office in a mosque.

The neighborhood is peopled predominantly by the Hazara ethnic group, a Persian-speaking

See KABUL, Page 4

Kabul Swarms With Fighters in Broad Alliance

By Edward A. Gargan
New York Times Service

KABUL — Islamic rebel groups that have infiltrated the Afghan capital have moved swiftly throughout poorer neighborhoods, setting up offices, establishing street patrols and manning checkpoints on city streets.

At least 20,000 guerrillas from six major Islamic rebel groups have entered Kabul, and many of the city's sprawling neighborhoods are firmly under their control. Afghanistan's disintegrating government now holds sway only over the center of the capital.

Unchallenged, young guerrillas stroll past shops and houses, brandishing automatic rifles, light machine guns and shoulder-fired rockets with the panache of small-town heroes.

Farid Mazaah, the leading figure in the Homeland Party council that now runs what is left of the Afghan government, said Friday night that it would only be two or three days before a "mujahidin government" was in place in Kabul.

Earlier Friday, Jalalabad, about 130 kilometers (80 miles) east of Kabul, was occupied by a coalition of Islamic rebels and defecting government troops. It was the last provincial capital to yield to the proliferating coalitions of Islamic fighters and former government and militia forces.

The collapse of Jalalabad means that the entire country is now controlled by a melange of alliances and coalitions, all united by their hostility to the dying regime in Kabul, but differentiated by ethnic background or loyalties to prominent leaders.

The infiltration of Kabul and the occupation of many neighborhoods by guerrilla forces is part of a complex strategy by a broad alliance of rebel leaders to protect ethnic minorities in Kabul and to assure that fighters loyal to Gulbuddin Hekmatyar, the extreme fundamentalist leader of the Islamic Party, do not enter the capital, according to rebel commanders.

In Dushaybarah, a densely crowded Kabul neighborhood of adobe houses crowded together by a maze of mud alleys, as many as 6,000 fighters belonging to the Iranian-backed rebel group Islamic Coalition Council of Afghanistan have established an office in a mosque.

The neighborhood is peopled predominantly by the Hazara ethnic group, a Persian-speaking

See CAPITAL, Page 4



CONCRETE PLANS TO BLOCK ETNA — U.S. and Italian soldiers surveying work on Mount Etna in Sicily. Military crews have been positioning 7-ton concrete blocks around a vent in the volcano to stem the lava flow. But Zafferana Etnea, at the foot of the mountain, is still threatened by the molten rock.

Israel to Boycott Talks if Palestinian Exiles Attend

WASHINGTON — The United States and Israel have clashed in a sharp new diplomatic exchange about the participation of Palestinian exiles in regional Middle East talks scheduled for next month, diplomats said Friday.

The United States and Russia were planning to issue formal invitations on Friday to the five meetings on regional issues associated with the Middle East peace process. They are intended to complement the main bilateral Arab-Israeli peace negotiations, which are to reconvene for a fifth round in Washington on Monday.

The regional talks, involving nations outside the Middle East region as well as Israel and Arab states, were planned for the second week of May at senior official level. The five working groups will discuss arms control in Washington; refugees in Ottawa; water resources in Vienna; economic development in Brussels, and the environment in Tokyo.

Israel says it will boycott the talks on refugees and economic development because the Russian and U.S. organizers said they intended to invite Palestinian exiles from outside the Israeli-occupied territories.

The Israelis say this violates the rules of the Middle East peace process, which restricted Palestinian participation to representatives from the occupied West Bank and Gaza Strip.

The diplomats said the Israeli foreign minister, David Levy, summoned William Harrop, the U.S. ambassador to Israel, earlier this month and complained in sharp terms about Washington's intention to invite Palestinian exiles.

Mr. Levy said Israel regarded this as an unilateral act that changed negotiating rules agreed to in advance by all parties. He said that such a change could threaten the entire peace process and that there was no way Israel would attend meetings where Palestinian exiles took part.

The sources said Mr. Harrop returned to the Israeli Foreign Ministry in Jerusalem a few days later and handed a senior official a letter from Secretary of State James A. Baker 3d.

"It was written in polite diplomatic language but it basically said Baker had made up his mind, was not about to change it and Israel could take it or leave it," a diplomat said.

that Israel is offering the elections only as a political ploy, one intended to limit Arab autonomy in the West Bank and Gaza to areas within existing municipal boundaries.

Officials in Hebron say privately that Israeli negotiators are considering whether to place a formal proposal for municipal elections on the negotiating table in Washington.

On Tuesday, Prime Minister Yitzhak Shamir strongly reaffirmed his intention not to surrender overall Israeli control.

"The areas of Judea, Samaria and Gaza will remain ours forever and ever," he declared at a meeting with Jewish settlers.

During the most recent round of Middle East talks, the Palestinians proposed the election of a 180-member assembly to take over interim administration of the territories during a transitional period. Israel rejected the idea.

This past week, Haidar Abdel-Shafi, chief of the Palestinian delegation at the peace conference, asserted in an interview in a Jerusalem newspaper, Al Fajr, that Israel was using municipal elections as a distraction.

"Israel wants to diminish the value of the current talks," he said, "and wants to convince the population that they have no choice but to agree to autonomy."

Ahmed Hamze Natshe, a long-time PLO backer in Hebron, said Israel was trying to exploit differences between Islamic fundamentalists and the PLO, in the hope that Islamic candidates would dominate new town governments and weaken PLO influence.

There have been no municipal elections in the territories since 1976, when voters chose many PLO-backed candidates. Later, Israeli military authorities dismissed many of the local officials and suspended further voting. They contended that the balloting had not been democratic, but instead represented "elections held under terrorism, intimidation, bribery."

■ **Palestinian Detained**

Israeli authorities prevented a member of the Palestinian negotiating team from leaving for the peace negotiations in Washington, The Associated Press reported from Jerusalem, quoting Israeli radio.

The delegate, Mohammed Hourani from Hebron in the Israeli-occupied West Bank, was released from security detention in March after being arrested shortly before negotiations in Washington in January.

Mr. Hourani, who was among 14 Palestinian delegates leaving for Amman on Thursday to meet with their Jordanian counterparts, was stopped at the Allenby Bridge linking the West Bank and Jordan and prevented from leaving.

■ **Sarajevo Relatively Quiet**

Chuck Sudetic of The New York Times reported from Sarajevo, Bosnia-Herzegovina.

European Community peace initiatives produced a precarious break in fighting throughout much of Bosnia-Herzegovina on Friday as refugee-relief officials said they were concerned that serious security problems could soon produce widespread food shortages throughout the republic.

Fire gun battles raged for 12 hours in Sarajevo's western suburbs before subsiding at dawn on Friday. There was sporadic sniper machine-gun fire in the city on Friday night, but there was no artillery shelling.

Tension in the capital remained high throughout the day as Serbian guerrillas surrounded Muslim Slav suburbs and demanded that their defenders surrender their weapons, according to a Sarajevo television report.

The Serbian guerrillas denied EC military observers access to one of the suburbs, an EC official, Goran Kotorac, said. Several hundred Muslim residents were seen leaving the city Friday afternoon.

At least 9 people have died and 26 have been wounded in fighting in Bosnia-Herzegovina since Thursday, Sarajevo radio reported Friday. The figures did not include casualty totals from clashes reported in Bosanski Krupa, Capljina, Derventa and other towns.

The number of refugees displaced since late March by the fighting has risen to 325,000, 14 percent of the republic's population, said a spokesman for the United Nations High Commissioner for Refugees in Sarajevo, Fabrizio Hochschild.

Serious security problems are hampering deliveries of food aid to much of Bosnia-Herzegovina, Mr. Hochschild said.

"We're entering into a Lebanon-like situation," he said. "Every truck we send out needs about 5 clearances for every 2 kilometers. We've been operating under these conditions and it has slowed our delivery capacity tremendously."

UN refugee-relief officials refuse to comment on who is creating the security problems.

Israel Re-Offers Vote in the Territories

By William E. Schmidt
New York Times Service

HEBRON — Israeli-Occupied West Bank — Ten years after Israel abolished local elections in the occupied territories, denouncing them as a platform for Palestinian radicals, Israeli officials are talking to Arabs in the West Bank and the Gaza Strip about again choosing their own mayors and town councils.

Israeli Defense Ministry officials are publicly telling Arabs in Hebron and elsewhere that they are willing to replace Israeli-appointed municipal administrators, who were installed in the early 1980s, with popularly elected Arab councils. The move is apparently tied to the Middle East peace talks, which resume this coming week in Washington.

In interviews, members of Islamic fundamentalist groups in Hebron, who have become a growing voice in civic affairs and who dominate the city's newly chosen Chamber of Commerce, say they favor local elections. They argue that such voting is needed to help restore public facilities and services.

But others, including nationalists closely allied with the Palestine Liberation Organization, argue

that Israel is offering the elections only as a political ploy, one intended to limit Arab autonomy in the West Bank and Gaza to areas within existing municipal boundaries.

Officials in Hebron say privately that Israeli negotiators are considering whether to place a formal proposal for municipal elections on the negotiating table in Washington.

On Tuesday, Prime Minister Yitzhak Shamir strongly reaffirmed his intention not to surrender overall Israeli control.

"The areas of Judea, Samaria and Gaza will remain ours forever and ever," he declared at a meeting with Jewish settlers.

During the most recent round of Middle East talks, the Palestinians proposed the election of a 180-member assembly to take over interim administration of the territories during a transitional period. Israel rejected the idea.

This past week, Haidar Abdel-Shafi, chief of the Palestinian delegation at the peace conference, asserted in an interview in a Jerusalem newspaper, Al Fajr, that Israel was using municipal elections as a distraction.

"Israel wants to diminish the value of the current talks," he said, "and wants to convince the population that they have no choice but to agree to autonomy."

Ahmed Hamze Natshe, a long-time PLO backer in Hebron, said Israel was trying to exploit differences between Islamic fundamentalists and the PLO, in the hope that Islamic candidates would dominate new town governments and weaken PLO influence.

There have been no municipal elections in the territories since 1976, when voters chose many PLO-backed candidates. Later, Israeli military authorities dismissed many of the local officials and suspended further voting. They contended that the balloting had not been democratic, but instead represented "elections held under terrorism, intimidation, bribery."

■ **Palestinian Detained**

Israeli authorities prevented a member of the Palestinian negotiating team from leaving for the peace negotiations in Washington, The Associated Press reported from Jerusalem, quoting Israeli radio.

The delegate, Mohammed Hourani from Hebron in the Israeli-occupied West Bank, was released from security detention in March after being arrested shortly before negotiations in Washington in January.

Mr. Hourani, who was among 14 Palestinian delegates leaving for Amman on Thursday to meet with their Jordanian counterparts, was stopped at the Allenby Bridge linking the West Bank and Jordan and prevented from leaving.

■ **Sarajevo Relatively Quiet**

Chuck Sudetic of The New York Times reported from Sarajevo, Bosnia-Herzegovina.

European Community peace initiatives produced a precarious break in fighting throughout much of Bosnia-Herzegovina on Friday as refugee-relief officials said they were concerned that serious security problems could soon produce widespread food shortages throughout the republic.

Fire gun battles raged for 12 hours in Sarajevo's western suburbs before subsiding at dawn on Friday. There was sporadic sniper machine-gun fire in the city on Friday night, but there was no artillery shelling.

Tension in the capital remained high throughout the day as Serbian guerrillas surrounded Muslim Slav suburbs and demanded that their defenders surrender their weapons, according to a Sarajevo television report.

The Serbian guerrillas denied EC military observers access to one of the suburbs, an EC official, Goran Kotorac, said. Several hundred Muslim residents were seen leaving the city Friday afternoon.

At least 9 people have died and 26 have been wounded in fighting in Bosnia-Herzegovina since Thursday, Sarajevo radio reported Friday. The figures did not include casualty totals from clashes reported in Bosanski Krupa, Capljina, Derventa and other towns.

The number of refugees displaced since late March by the fighting has risen to 325,000, 14 percent of the republic's population, said a spokesman for the United Nations High Commissioner for Refugees in Sarajevo, Fabrizio Hochschild.

Serious security problems are hampering deliveries of food aid to much of Bosnia-Herzegovina, Mr. Hochschild said.

"We're entering into a Lebanon-like situation," he said. "Every truck we send out needs about 5 clearances for every 2 kilometers. We've been operating under these conditions and it has slowed our delivery capacity tremendously."

UN refugee-relief officials refuse to comment on who is creating the security problems.

■ **Bush Plans European Trip**

United Press International

WASHINGTON — President George Bush will travel to Europe in early July to attend economic summit conferences in Germany and Finland, with a brief stop in Poland, the White House announced.

■ **35,000 in Warsaw**

Jeer Prime Minister

By Mary Battiata
Washington Post Service

WARSAW — More than 35,000 Solidarity trade union workers marched on Friday in one of the largest and angriest street demonstrations since the trade union helped bring down the Communists three years ago.

The anti-government protest, which reportedly had the sanction of aides to President Lech Walesa, capped a week of political setbacks for Prime Minister Jan Olszewski and followed a damaging attack on Mr. Walesa by former senior aides, who depicted the president as a timid, insecure and isolated.

As jeering and whistling marchers massed in front of government headquarters, the trade union's leadership threatened Mr. Olszewski with a general strike and demanded more government attention to the country's collapsing state-owned industries. They also called on the parliament's 29 parties to "stop quarreling" and approve an austerity budget that has been under debate for weeks.

Mr. Olszewski's attempt to speak to the crowd outside government headquarters was drowned out in catcalls. The union crowd was slightly more friendly to Mr. Walesa, their onetime leader.

Mr. Walesa won the presidency in 1990 and took office promising to help privatize or humanely phase out state-owned industries. Mr. Olszewski is committed to the same. But the action of how to do that has changed with three successive post-Communist governments, and the latest privatization plan is bogged down in parliament.

Mr. Walesa's appearance seemed intended to counter a sensational attack on him that appeared this past week in the nation's most influential newspaper, Gazeta Wyborcza.

The article by a former presidential spokesman, Jaroslaw Kurski, based on extensive interviews with several former senior Walesa aides, depicted the president as generally unequal to his job.

■ **35,000 in Warsaw**

Jeer Prime Minister

By Mary Battiata
Washington Post Service

WARSAW — More than 35,000 Solidarity trade union workers marched on Friday in one of the largest and angriest street demonstrations since the trade union helped bring down the Communists three years ago.

The anti-government protest, which reportedly had the sanction of aides to President Lech Walesa, capped a week of political setbacks for Prime Minister Jan Olszewski and followed a damaging attack on Mr. Walesa by former senior aides, who depicted the president as a timid, insecure and isolated.

As jeering and whistling marchers massed in front of government headquarters, the trade union's leadership threatened Mr. Olszewski with a general strike and demanded more government attention to the country's collapsing state-owned industries. They also called on the parliament's 29 parties to "stop quarreling" and approve an austerity budget that has been under debate for weeks.

Mr. Olszewski's attempt to speak to the crowd outside government headquarters was drowned out in catcalls. The union crowd was slightly more friendly to Mr. Walesa, their onetime leader.

Mr. Walesa won the presidency in 1990 and took office promising to help privatize or humanely phase out state-owned industries. Mr. Olszewski is committed to the same. But the action of how to do that has changed with three successive post-Communist governments, and the latest privatization plan is bogged down in parliament.

Mr. Walesa's appearance seemed intended to counter a sensational attack on him that appeared this past week in the nation's most influential newspaper, Gazeta Wyborcza.

The article by a former presidential spokesman, Jaroslaw Kurski, based on extensive interviews with several former senior Walesa aides, depicted the president as generally unequal to his job.

DUTY FREE ADVISORY

Life's special meetings.

Nothing matches the delights of coming home after a long trip away. The warm welcome of loved ones... the feeling of accomplishment.

And the pleasure of sharing the moment with a touching gift... the joy that follows, from Abu Dhabi Duty Free.

Discover the treasures of the world's greatest shopping experience... before your most cherished meetings.

ABU DHABI DUTY FREE

Abu Dhabi Airport Duty Free

Vienna Step: Avoid Waldheim

Candidates Glide Quietly Around a Political Taboo

By Michael Z. Wise
Washington Post Service

VIENNA — Befitting a country celebrated for its music, the front-runner in the campaign to succeed President Kurt Waldheim is a trained violinist who conducts orchestras in his spare time.

The front-runner is the Social Democratic candidate, Rudolf Streicher, who is better known as a former cabinet minister and who gives prospective voters cassettes of himself conducting the "Blue Danube" waltz.

The leading candidates have done their best to avoid discord before the election on Sunday. They say they are doing so as a result of the bitter experience in the midst of the 1986 presidential campaign, when Austria was shattered by allegations that Mr. Waldheim, now 73, was involved in Nazi war crimes.

Relieved that an end to six years of international isolation under the former United Nations secretary-general is in sight, the candidates have sidestepped all mention of Mr. Waldheim.

"It was a nightmare that nobody wants to talk about," said Herbert Lackner, editor of the weekly news magazine Profil, which revealed Mr. Waldheim's hidden service in a German Army unit responsible for wartime atrocities. "Everybody's grateful and happy that he is leaving office."

All four of the contestants agree that the next president must move quickly to restore contact with many foreign leaders at a time when the political landscape around Austria has shifted dramatically.

The United States barred Mr. Waldheim from entering its territory in 1987 after an official inquiry into his army service, and apart from a much-criticized lunch with Chancellor Helmut Kohl of Germany in Munich last month, West German leaders have refused to hold official meetings with him.

Billboards for Mr. Streicher feature U.S. and European Community-member flags in the background. Advertisements for Thomas Klestil, a career diplomat who is the conservative People's Party nominee and who is running second in opinion polls, show him meeting with President George Bush and Vice President Dan Quayle.

Mr. Klestil, 59, a former ambassador to the United States and chief delegate to the United Nations, pledges to "secure Austria's deserved place in the world."

The Green Alternative party nominee is Robert Jungk, 78, an author of books about future social and environmental developments.

None of the candidates is likely to get a majority in Sunday's election; a runoff is scheduled for May 24.

The most recent opinion poll shows Mr. Streicher favored by 39 percent of the respondents and Mr. Klestil by 27 percent.

The rightist Freedom Party candidate, the Federal Assembly's deputy vice president, Heide Schmidt, trails with 8 percent, and Mr. Jungk with 5 percent.

WORLD BRIEFS

UN Unclear on Scope of Iraqi Arms

VIENNA (Reuters) — The United Nations team that blew up parts of Iraq's nuclear installations said Friday that they were still unclear about the full extent of Baghdad's nuclear program and its source of materials.

Officials from the International Atomic Energy Agency said Iraqi officials were highly cooperative in helping them destroy buildings intended for nuclear bomb manufacture. But it was still not clear whether Baghdad would provide a comprehensive list of its nuclear installations, or reveal which countries and companies had supplied materials.

Dimitri Periticos, leader of the UN team that supervised the destruction of a building at the Al Atheer plant, said, "There is a very strange situation where the cooperation that they have shown performing this extensive destruction contradicts the side of procurerment data, which they are still maintaining that they do not want to provide."

Burma Makes an Offer on Dissidents

BANGKOK (Combined Dispatches) — The day after Burma changed leaders, its ruling junta said it would free some political prisoners and meet opposition figures to discuss a new constitution, Rangoon Radio announced Friday.

The radio, quoting a junta statement, gave no timetable and did not say whether the amnesty would include Daw Aung San Suu Kyi, recipient of the 1991 Nobel Peace Prize, who has been under house arrest since 1989. It was the first time the junta, the State Law and Order Restoration Council, had said it would open a dialogue with the opposition.

The broadcast also reported that General Than Shwe had been named prime minister following his appointment as head of the military council. His promotion followed the resignation of General Saw Maung, who was both chairman of the junta and prime minister. (AP/Wirephoto)

Amoco Set to Pay France in Oil Spill

PARIS (AP) — France and Amoco Corp. declared an end Friday to their 14-year legal battle over the super-tanker Amoco Cadiz's huge oil spill, clearing the way for the U.S. oil company to pay \$200 million in damages.

The French secretary of state for the sea, Charles Josselin, announced that Amoco's lawyers had told attorneys for the French plaintiffs that the firm would not appeal a Jan. 24 ruling by the 7th U.S. Court of Appeals. Mr. Josselin, speaking in Saint-Brieuc, Brittany, which was among the areas hit by the spill, said he was very satisfied by Amoco's decision.

In Chicago, an Amoco spokesman, Ralph Stow, said: "It is Amoco's intention not to appeal. We are working with the French on the determination of the final judgment."

Taiwan Said to Seek Mirage Fighters

PARIS (Reuters) — Taiwan wants to buy 120 Mirage 2000-5 fighter aircraft and has given the French government until the end of April to decide whether it will allow the sale, the Paris financial daily Les Echos reported Friday.

The newspaper said Taiwan was ready to place firm orders for 60 Mirage 2000-5s and to pay 60 billion francs (\$10.7 billion) for them, with the possibility of buying 60 more later.

The Defense Ministry is eager to sell the planes, according to the newspaper, while the Foreign Ministry opposes it because it does not want to upset China.

A Poison Felled 2 Iraqi Dissidents

LONDON (Reuters) — British doctors said Friday that two Iraqi dissidents sent to London for emergency treatment had been poisoned by a toxic heavy metal.

A London hospital said tests had confirmed a diagnosis of thallium poisoning. The two men, former Iraqi Army officers, were being treated with an antidote and their condition was stable, it said.

The London-based Campaign for a Free Iraq said that the two men were poisoned in Iraq late last month in an assassination attempt by forces loyal to President Saddam Hussein.

Correction

Because of a mechanical error, a sentence was dropped from an article about a space discovery on Page One of Friday's Herald Tribune. The complete paragraph should have read: The Earth-orbiting Cosmic Background Explorer spacecraft has made more than 300 million measurements since its 1989 launching. It detected nearly imperceptible variations in the temperature of the radiation, which measures 454 degrees below zero Fahrenheit.

TRAVEL UPDATE

Pilots with Italy's state-controlled Alitalia airline have called off a 24-hour strike planned for Monday and will resume talks with management on pay and working conditions, a union spokesman said. (Reuters)

The Spanish police said 171 people died in traffic accidents over the Easter weekend, 17 more than last year. Spain has a fatality rate nearly six times higher than the United States and triple the European Community average. A total of 6,797 people died on Spanish roads in 1991. (Reuters)

The French transport minister, Georges Sarre, has proposed general measures to reduce the death rate of pedestrians in Paris who are victims of traffic accidents. A total of 107 pedestrians were killed in 1991. One measure would be to impose speed limits of 30 kilometers (18 miles) per hour in busy zones near railroad stations, department stores, schools and tourist monuments. The speed limit in cities is now 50 kilometers an hour. Another measure would keep all traffic lights red at major intersections at certain moments to allow pedestrians to use the entire square for crossing. A third would create cycling circuits on the big boulevards. (UPI)

Commercial flights between Japan and Israel were approved for the first time by the Japanese Transport Ministry on Friday. Three round-trip chartered flights by an Israeli airline were cleared. (APF)

The Weather

Forecast for Sunday through Tuesday

North America

Chilly, cloudy and damp in the north. Stormy weather Sunday in the Northeast. Sunday night and Monday morning, heavy rain. Monday, sunny weather. Winds will gust over 80 mph Sunday from the Midwest to the South. Tuesday, the Midwest will be cloudy Sunday. The weather will be mostly sunny. Southern California and most of the South will be dry.

Europe

Northern Europe will have stormy weather Sunday and Monday. Windy weather Sunday. Winds will gust over 80 mph Sunday from the Midwest to the South. Tuesday, the Midwest will be cloudy Sunday. The weather will be mostly sunny. Southern California and most of the South will be dry.

Asia

Sunday will be warm with sunshine in Tokyo, Seoul and Beijing. Monday, cloudy day. Tuesday, heavy rain. Monday, although it may show up in Tokyo, heavy rain. Monday, although it may show up in Tokyo, heavy rain. Monday, although it may show up in Tokyo, heavy rain.

Region	City	Today	Tomorrow
North America	Albuquerque	54-78	58-82
	Anchorage	15-29	10-20
	Atlanta	68-82	70-84
	Boston	42-56	46-60
	Buffalo	38-52	42-56
	Chicago	32-46	36-50
	Denver	54-68	58-72
	Houston	68-82	70-84
	Los Angeles	68-82	70-84
	London	46-60	50-64
Europe	Amsterdam	46-60	50-64
	Berlin	46-60	50-64
	Brussels	46-60	50-64
	Frankfurt	46-60	50-64
	Geneva	46-60	50-64
	Madrid	68-82	70-84
	Moscow	26-40	30-44
	Paris	46-60	50-64
	Rome	68-82	70-84
	Stockholm	32-46	36-50
Asia	Algeria	68-82	70-84
	Bangkok	78-92	80-94
	Beijing	68-82	70-84
	Hong Kong	78-92	80-94
	London	46-60	50-64
	New Delhi	78-92	80-94
	Seoul	68-82	70-84
	Singapore	78-92	80-94
	Taipei	78-92	80-94
	Tokyo	68-82	70-84

Legend: ☀ Sunny, ☁ Partly cloudy, ☂ Rain, ⚡ Thunderstorm, ❄ Snow, ☁ Cloudy, ☁ Partly cloudy, ☂ Rain, ⚡ Thunderstorm, ❄ Snow, ☁ Cloudy, ☁ Partly cloudy, ☂ Rain, ⚡ Thunderstorm, ❄ Snow

Perot Thumps Bush Record

Prospective Candidate Is Spoiling Hard for a Fight

By Thomas C. Hayes
New York Times Service

DALLAS — Acknowledging his rising popularity in some recent opinion polls and other signs of potential political strength, Ross Perot has mounted his sharpest criticism to date of President George Bush and the Republican Party.

In occasionally mocking and sarcastic terms, Mr. Perot, who is considering an independent campaign for the presidency, accused Mr. Bush of ignoring the country's deepening debt troubles, propping up President Saddam Hussein in the years before the Gulf War and not acting to halt the savings and loan crisis while overseeing deregulation of the industry as vice president.

"Nobody takes responsibility for anything in Washington," he told the interviewer David Frost in Dallas during an hour-long broadcast Friday night.

"Who is in charge of deregulation all through the '80s?" Mr. Perot asked. "Vice President George Bush. Who created Saddam Hussein with billions of dollars, and whose personal fingerprints are all over it for 10 years?"

The president of the United States.

In other comments, Mr. Perot denied accusations that he would be an autocratic president. He said he supported gay rights and rapid research to find a cure for AIDS. Mr. Perot also said that an increasing concentration of wealth among the rich in the United States was bad for society.

The Dallas businessman, who built a fortune estimated at \$2.5 billion to \$3.5 billion mainly from creating what is now the booming computer-services industry, sounded every bit like a presidential candidate during the interview.

Mr. Perot, 61, had said that he would not become an independent candidate before he was placed on the ballot in all 50 states. But in an interview reported by The Associated Press, he said it was no longer necessary for petitions to be completed in all states before he became a candidate.

Mr. Perot told The Associated Press that the efforts of opponents to keep him off the ballot in New York might succeed. But

he said he would "probably go ahead and run" even without New York.

In his interview with Mr. Frost, Mr. Perot harshly criticized Mr. Bush and the Republicans.

"All you hear is Lawrence Welk music. 'Wonderful, wonderful, wonderful.' And, 'We're spending \$400 billion of your children's money this year to try to get you to vote for us again,'" he said.

Republican Party campaign tactics, Mr. Perot said, came from "those who are in power who don't believe anything, who don't stand for anything, who won't admit the problems of the country."

"Have you ever heard the president talk about the \$4 trillion debt?" he asked. "I haven't."

He added: "I challenge the incumbent president to step forward, surrounded by 16 handlers and somebody squatted down in front of him, signing and telling him what to say and when to say it. Give him all his aides. Talk about the \$4 trillion debt, \$3 trillion on his watch — vice president and president."



Ross Perot, fielding supporters' questions in Dallas, where he turned up the heat on Mr. Bush.

Felon Who Organized Bush Dinner Is Under Legal Scrutiny

By Ann Devroy and Charles R. Babcock
Washington Post Service

WASHINGTON — Federal regulators are investigating whether a marketing executive serving as one of the co-chairmen of the President's Dinner, the Republican Party's largest fund-raising event of the year, violated laws governing bank control by felons, according to law enforcement officials.

James R. Elliott, president of Illinois-based Cherry Payment Systems, said through a spokesman that he was "cooperating fully" with a yearlong Federal De-

posit Insurance Corp. investigation of his relationship with First Interstate Bank of South Dakota.

His spokesman, Jim McAvoy, said Mr. Elliott's fund-raising activities for the dinner and for President George Bush's reelection campaign had nothing to do with the investigation.

Four of Mr. Elliott's former employees said in separate telephone interviews that he told them he hoped his Republican fund-raising activities would lead to a presidential pardon of his felony convictions in the 1980s on charges of mail and wire fraud, racketeering and misapplication of bank funds.

Mr. McAvoy said Mr. Elliott denied this was true or having had the conversations. He added that since Mr. Elliott would not be eligible for a pardon until April 1996, the final year of a potential second Bush term, it would have been "foolish" to consider such a pardon possible.

The President's Dinner has drawn fire from critics of the campaign financing system as being representative of its major abuses.

Because it does not have to abide by rules that limit individual and corporate giving, the dinner can attract huge individual contributions. One small California company contributed \$400,000.

It also can offer Republican donors what Democrats cannot: access to the president, vice president, members of the cabinet and senior administration officials. The dinner is expected to raise \$7 million for Republican congressional races.

Public interest groups plan to demonstrate against the dinner Tuesday because they are angered that Mr. Bush intends to give a campaign reform bill that has passed the House and is expected to pass the Senate this coming week.

"This dinner is a classic example of what's wrong with the way business is being done in Washington," said Fred

Wertheimer, president of Common Cause, a public interest group.

The minimum cost for an individual to attend the dinner at the Washington Convention Center is \$1,500, but many companies, groups and political action committees buy tables for \$20,000 and more.

In exchange for the large contributions, donors get to mingle in receptions, breakfasts and other events with the top officials of the administration, from cabinet officers to presidential assistants. A donation of \$92,000 or more entitles the giver to a few moments with the president to have his or her picture taken.

A study by the New York City Taxi and Limousine Commission shows that 43 percent of the new applicants for taxi-driver jobs now come from the Indian subcontinent. Eight years ago, the last time a study was done, only 10 percent of new cabbies came from India, Pakistan or Bangladesh. At that time, the biggest group of new drivers, more than a quarter, came from the Caribbean. This has dropped to 8 percent. "There is no question that our future as an industry lies not just with immigrants, but with the immigrant du jour," said Fidel F. Del Valle, commission chairman. His father was an immigrant cabbie from Cuba in the 1960s.

In Cocoa, Florida, the audience at a special all-woman performance of the Space Coast Philharmonic orchestra heard a different drummer. The percussionist quit over a disagreement on the final day of rehearsal. No woman could be found to replace her. So Steve Clark, the orchestra's regular percussionist, filled in at the last minute. Rather than explain this to the audience, the orchestra decided to let Mr. Clark pass as a woman. "He has curly hair, so we didn't bother with a wig," said Joe Christ, the production director. The drummer wore a full-length robe and blotted out his mustache with makeup powder. Apparently, nobody noticed.

Arthur Higbee

García Tells Of Flight As Peru Army Closed In

By Nathaniel C. Nash
New York Times Service

LIMA — Alan García Pérez, the now fugitive former president of Peru, recounted at a safehouse here how he was able to evade the tanks and troops encircling his house on the night that his elected successor, Alberto K. Fujimori, moved to disband parliament and curb the judiciary.

Speaking to one American and six Latin American reporters, Mr. García said that when he saw the tanks and soldiers approaching his house on April 5, he was sure that they had come to kill him. He had been warned by an officer earlier that day that he had been marked for attack, he said.

He said that he had fired his pistol into the air several times to create a diversion, and that when the soldiers paused at the sound, he was able to escape into the darkness to a nearby construction site. He spent the next two days there in an empty water tank.

Mr. García said he and the political party he heads, the American Revolutionary Alliance, or APRA, were organizing to resist the Fujimori government and its military backers.

From the first day that Mr. Fujimori ousted parliament and the judiciary, the whereabouts of Mr. García, whose last years in office were marked by charges of corruption and runaway inflation, has been the subject of great conjecture. Mr. Fujimori was elected president in 1990 and succeeded Mr. García.

Although top aides have been in communication with Mr. García and he has spoken by telephone to some reporters, he has not appeared in public, fearing arrest.

Mr. Fujimori announced that Mr. García would be prosecuted on charges of weapons possession because firearms were found in a raid on his party's headquarters. But while Mr. Fujimori has said Mr. García would not be jailed, the former president said he did not believe this.

During the interview this past week, Mr. García predicted that the seizure of powers by Mr. Fujimori would only fuel terrorism, and said he doubted that Mr. Fujimori would be able to combat drug trafficking effectively.

He disputed Mr. Fujimori's explanation that the action was necessary to expedite the fight against traffickers and leftist terrorists.

Mr. García said the major target of the move was his party. "He has a lot of fear of the APRA party," Mr. García said of what he thought were Mr. Fujimori's motives. "We are well organized, the largest political party in Peru and a serious opposition for him."

Inquiry Is Widened After Mexico Blast

United Press International

GUADALAJARA, Mexico — The Mexican attorney general opened an investigation Friday of city officials suspected of negligence in explosions that devastated one of Guadalajara's oldest neighborhoods and killed at least 205 people.

The death toll rose Friday when the bodies of three children were pulled from rubble. More than 1,100 people were injured when sewer lines exploded.

The most chief of the city sewer system, José Luis Macías, said that gasoline appeared to be the source of the explosions Wednesday. The Associated Press reported.

"Gasoline apparently is the origin of the problem," he said in a telephone message left on his office answering machine. His assertion could not be corroborated.

Several city officials who resigned under pressure, including

Fire Chief Trinidad López, were called by Attorney General Ignacio Morales Lechuga for questioning.

Mayor Enrique Dan Flores also requested a leave of absence while the investigation is carried out. He, too, will be questioned.

Judicial agents took evidence Friday from officials of the state-owned oil company, Petroleros Mexicanos, or Pemex, and the Department of Urban Development and Ecology.

The attorney general was in Guadalajara to lead the investigation after President Carlos Salinas de Gortari set a 72-hour deadline to determine who was responsible.

City officials have been blamed for failing to order an evacuation despite warnings that an explosion was possible. The Jalisco state governor, Guillermo Cosío Vidaurri, said the officials had wanted to avoid "causing alarm" in Guadalajara, the capital of Jalisco.

AMERICAN TOPICS

Los Angeles Gives a Preview Of Its Underground Secret

Los Angeles plans to open the first 4.4-mile (7-kilometer) segment of its new subway in June of next year, six years and \$1.45 billion after construction began. The tunnel extends from one end of the downtown area to the other, and westward to MacArthur Park.

Reporters, business people and civic boosters were given a preview run this past week. Most of them, accustomed to automobile seat belts, stumbled whenever the train started moving. Neil Peterson, executive director of the county transportation commission, ruefully called the project "the best-kept secret in Los Angeles."

Even in a city slowly choking on its love of the automobile, mass transit officials are genuinely concerned that people might not ride the subway. The New York Times reports. To many downtown office workers, the intended users of the subway, it has meant little more than years of torn-up streets and sidewalks.

"They're really going to finish it!" marveled Edward J. Walsh, a lawyer. "I guess I never really believed I'd see it. It's just always

Short Takes

Advertisements in the IHT and other newspapers are seeking a Toshiba radio/cassette recorder of the same kind used in the bombing of Pan American flight 103 over Lockerbie, Scotland, Dec. 21, 1988, with a loss of 270 lives. The ads were placed by Stephen Green, a New York lawyer representing the insurers for Pan American World Airways. Families of Lockerbie victims are suing the airline for negligence. Mr. Green said he needs the radio, Model Number RT-8016, for the trial starting this Monday. He is offering a \$1,000 reward because it has been difficult to track down that particular model, which is obsolete. Even Toshibas was unable to supply one. As of Friday, Mr. Green's office said, no one had come forward. Mr. Green declined to say why he needs the model, saying he was under a judge's order not to discuss it with the press.

In Cocoa, Florida, the audience at a special all-woman performance of the Space Coast Philharmonic orchestra heard a different drummer. The percussionist quit over a disagreement on the final day of rehearsal. No woman could be found to replace her. So Steve Clark, the orchestra's regular percussionist, filled in at the last minute. Rather than explain this to the audience, the orchestra decided to let Mr. Clark pass as a woman. "He has curly hair, so we didn't bother with a wig," said Joe Christ, the production director. The drummer wore a full-length robe and blotted out his mustache with makeup powder. Apparently, nobody noticed.

Arthur Higbee

4 Die as Car Veers Out of Control in New York Park

The Associated Press
NEW YORK — A car driven by an elderly woman careened out of control into a crowded park in lower Manhattan, killing four people and injuring at least 27 others.

Autorities were investigating whether the automobile had a mechanical fault. The car model, an Oldsmobile Delta 88, has been the subject of a federal safety probe into possible accelerator defects.

The driver, Stella G. Maychick, 74, was slightly injured in the accident Thursday in Washington Square Park. A police spokesman said she would not be charged.

"People were flipping in the air, one after the other, as the car hit them in the first 50 yards," said Bill Meade, 30, a student. "And then it just kept going. Some people were hit so hard they were taken out of their shoes."

3 Rodins Stolen in London
LONDON — Thieves have stolen three bronze statues by the French sculptor Auguste Rodin, valued at £100,000, from the William Morris Gallery in London, its curator said.

Chinese Report 2 Strong Quakes
Compiled by Our Staff From Dispatches
BEIJING — Two strong earthquakes struck the Chinese-Burmese border region, official media said Friday. The Xinhua press agency said that no deaths were reported immediately.

Quakes registering a preliminary 6.7 and 6.9 on the open-ended Richter scale rocked the area late Thursday night, Xinhua said. One tremor was felt at 10:18 P.M., the other at 11:32 P.M.

The Richter scale is a gauge of the energy released by an earthquake, as measured by ground motion recorded on a seismograph. A quake registering 6 on the scale can cause severe damage, while one of 7 is considered a major earthquake, capable of heavy damage.

(AP, Reuters)

Insecurity Rises on the Post-Soviet Worry List

By Bruce Weber
New York Times Service

NEW YORK — People in the newly sovereign republics of the former Soviet Union report greater fear and insecurity than they felt before they became independent, a series of four recent public-opinion polls there show.

The polls also imply that people in the new nations feel more worried about foreign investment than invasion by foreigners, and more afraid of other ex-Soviet republics than they are of foreign powers.

The data show that the greatest perceived threats are closest to home, with most of those asked more fearful of their neighbors than anyone else, reflecting the lingering unease among ethnic groups living side by side in the republics.

direction of Professor Ellen Mickiewicz of Emory University, were made public this past week.

One survey included 1,982 citizens of Russia; a second was a comparative study of three polls including 1,803 people in Russia, 1,163 in Ukraine and 999 in Uzbekistan.

The polls are important, Professor Mickiewicz said in an interview, because they provide the most up-to-date assessment of popular attitudes toward public policy in the former Soviet Union, particularly as they reflect conflicting views among major minority groups.

In the Russian survey, which was conducted in the field by Vox Populi, an opinion-research center based in Moscow, the questions sought to determine attitudes about foreign investment and about foreign countries in general.

investment, with 73 percent of those under 25 years old, 67 percent of those with college educations and about 70 percent of those in large cities saying it is good for the economy.

Overall, however, people seemed ambivalent, with 52 percent of those responding in Russia saying that foreign investment helped create jobs, but 40 percent expressing fear that their government was yielding control of the economy to foreign interests.

The most striking results came in answers to questions about personal security and military might.

Only 8 percent of Russians and 6 percent of Ukrainians and Uzbeks said foreign countries represented a threat.

Greater percentages feared invasion from other former Soviet republics and greater percentages still — 63 percent in Russia — said the most pronounced threat came from potential unrest within their own country.

Clinton Can't Beat Bush, Democratic Governor Asserts

By Michael deCourcy Hinds
New York Times Service

PHILADELPHIA — With the Pennsylvania primary only days away, the state's Democratic governor is criticizing the party's presidential primary process — and its likely nominee, Bill Clinton — saying it has produced a front-runner who cannot win the general election.

The governor, Robert P. Casey, urged uncommitted Democratic delegates to remain neutral so a stronger nominee could be selected at the convention this summer.

"We have to recognize reality," Mr. Casey said in an interview. "The primary process is not producing someone who has a good crack at winning in November."

Mr. Clinton, the governor of Arkansas, has won 1,332 delegates, more than half the 2,145 needed for the nomination. The second largest bloc of delegates, 531, consists of uncommitted delegates. Former Senator Paul E. Tsongas of Massachusetts, who has withdrawn from the race, has 529 delegates, and Edmund G. (Jerry) Brown Jr., a former California governor, has 271. There are 169 Democratic delegates at stake in Pennsylvania primary on Tuesday.

Referring to low turnout in the primaries so far, Mr. Casey said, "We've got a tiny minority of Democrats voting for Bill Clinton, and he's winning every race without generating any sparks, any enthusiasm, any momentum."

[According to figures compiled by the Committee for the Study of the Electorate, only 12.3 percent of those eligible have voted in the 22 Democratic primaries held so far this year.

[Curtis B. Gans, director of the Washington-based study group, said: "We have a very unhappy electorate. On the Democratic side,

the choices are propelling people to the sidelines."]

Mr. Casey spoke highly of Mr. Clinton's resilience and intelligence, but added: "People have a tremendous unease about him. He's got a tiny, fly speck of support."

He said the Democratic Party should consider a strategy of having all uncommitted delegates to the convention in New York in July remain uncommitted so that they could consider nominating another candidate should Mr. Clinton fail to win more support.

"He has to address the character issue in some way," Mr. Casey said. "Maybe he can turn this around; I hope he can. But if he can't, convention rules provide for the selection of an alternative candidate. Let's pick a winner."

Mr. Casey said his pessimism about Mr. Clinton's chances increased when he read public opinion polls of Pennsylvania voters that showed the Arkansas governor running behind President George Bush in a hypothetical two-man match-up.

The survey indicated that Mr. Bush, who last month trailed by 6 percentage points in a similar survey, has now moved even or ahead of Mr. Clinton, depending on whether Ross Perot runs as an independent presidential candidate.

In a hypothetical three-way race, Mr. Bush was favored by 35 percent of Pennsylvanians, Mr. Clinton by 31 percent and Mr. Perot, who has not announced his candidacy, by 18 percent. But in a two-man race, Mr. Bush lengthened his lead to 44 percent, with 37 percent choosing Mr. Clinton.

Part of Mr. Casey's reservations about Mr. Clinton have to do with the Arkansas support for a woman's right to choose abortion, a position Mr. Casey opposes.

Clinton's Defense

Gwen Ifill of the New York Times reported from Tallahassee, Florida:

Mr. Clinton, agitated and visibly frustrated by questions raised at a college here about whether he is truthful enough to be president, railed against the press and a system in which he said that "it is easier to tear down than build up."

He offered a rambling, insistent defense of his own character at a question-and-answer session at Florida A&M University. As he dismissed the questions about his use of marijuana, his marital problems and his draft record, students in the room cheered him and booed the questioners.

Mr. Clinton said it was not "morally or legally relevant" that he experimented with marijuana when he was a Rhodes Scholar at Oxford University in England. He added that he made his statement about not inhaling the drug as "a nervous afterthought" during a televised debate.

"There is no trust issue, except the press once again trying to make a mountain out of a molehill," he said.

"One of the things that amazes me is if I don't say something they say I'm not being candid, and if I tell the whole truth I'm not being candid," Mr. Clinton said. "You've got to calculate not what the truth is, apparently, but what the press will think the truth is, and what they will make jokes about."

"It's a terrible way to live," he added.

"You know more about me and my life than you do about any of these other people running," Mr. Clinton told the students on Thursday. "I think I've done a pretty good job being an imperfect person who tried to follow the real moral obligation of life, which is to do better tomorrow than you did today."

\$1,000 REWARD
PAID FOR ON RECEIPT IN NEW YORK PRIOR TO APRIL 30, 1992
TOSHIBA RADIO/CASSETTE PLAYER, GOOD CONDITION, WITH THE FOLLOWING MODEL NUMBER: RT-8016
PLEASE CONTACT: STEPHEN GREEN IN NEW YORK AT TEL: (212) 237-1048 FAX: (212) 262-1215

Ambassador Lapel Flags
24K Gold Plate • Brilliant, True Colors • Any Flag Mix
Fast Delivery Worldwide • 14 Business Days on Custom Orders
TME Co., Inc. 117 Park Lane Rd., New Milford, CT 06776, U.S.A.
Tel. (203) 354-0686 • Telex 271478 • Fax (203) 354-2786

De Klerk Plan Meets Broad Opposition

The Associated Press
JOHANNESBURG — Criticism from both ends of the political spectrum on Friday greeted a proposal from President Frederik W. de Klerk that would virtually ensure a black head of state.

African National Congress leaders said that Mr. De Klerk's plan was designed to perpetuate white power and delay true democracy.

A pro-apartheid group said the plan would allow the African National Congress and the allied South African Communist Party to gain power immediately and dominate the white minority.

Under Mr. de Klerk's proposal, which was announced Thursday in Parliament, the nation's first elections including the black majority would choose an interim government led by an executive council comprising leaders of the most popular political parties.

The chairman of the council would be president, with the position rotating every six months among the three to five members.

A multiracial election would guarantee popular black leaders such as Nelson Mandela, president of the ANC, a seat on the council

and a turn as president. White leaders also would most likely win election to the council.

Mr. de Klerk did not say how long the executive council would govern, but in the past he has said an interim leadership could be in power several years.

ANC officials said they would not formally respond to Mr. de Klerk's plan until Saturday.

But the ANC Youth League rejected the plan because the government would oversee the elections. It also criticized Mr. de Klerk's proposal for an elected, two-chamber Parliament in the interim government, because it would give whites and other minorities veto power over new legislation.

The Reverend Allan A. Bosack, a senior leader of the African National Congress, said there must be elections leading to a majority government. He called the de Klerk plan "totally unacceptable."

Ferdinand Hartzenberg of the pro-apartheid Conservative Party said in response to the plan: "There is only one way to achieve freedom for all people of South Africa, and that is by partition."

Radios Keep the Rebels in Touch, Whether They Want to Be or Not

By Donatella Lorch

New York Times Service
PESHAWAR, Pakistan — When an Afghan guerrilla commander captured the Afghan city of Gardez and began moving columns of tanks toward Kabul, his party leaders and other commanders both in Peshawar and in Afghanistan knew about the events within hours.

Ten years ago, in the early period of the Soviet-backed government in Kabul, it took days for battle reports to get to Peshawar, where most Afghan rebel groups have headquarters. Now, as frantic negotiations for a new government in Kabul continue in both the Afghan capital and in Peshawar, 245 kilometers (150 miles) away, radio has become king.

Every corner of this sprawling city, every rebel party office, every commander's house, has a communications center — radios manned 24 hours a day in constant contact with commanders inside Afghanistan.

"Every discussion among leaders in Peshawar is then retransmitted to the commanders inside," explained Amin Wardak, a commander from south of Kabul, who was chosen as one of the representatives to remain in Peshawar and who made the first radio contact last week between scores of Afghan commanders and Ahmed Shah Masoud, leader of the Islamic Society group.

With scores of guerrilla commanders from dif-

ferent political parties surrounding Kabul, constant communications are needed to promote dialogue. But the boom in radio communication has also become the unofficial spying and propaganda tool. It is possible to tune into almost everyone's conversations and then try to decipher the news despite the static.

Mr. Wardak, like others in Peshawar, has one radio to transmit on and another radio to listen into conversations. Gulbuddin Hekmatyar, leader of the Islamic Party, a fundamentalist group, has bolstered his position among Afghans by using the radio to describe battle successes that never occurred. Western diplomats in Islamabad said.

Mr. Masoud communicates two or three times a day with his group's communications center. He also uses it as a link to other commanders inside Afghanistan. But through another center, Mr. Masoud also communicates with Mr. Wardak, who represents an organization of more than 300 commanders inside Afghanistan.

When Jalaluddin Haqqani took Gardez, Mr. Wardak spent one and a half hours on the radio with him. Mr. Haqqani also speaks regularly with Mr. Masoud. Although messages are coded, there is no secrecy to live conversations. When Mr. Hekmatyar left secretly for Afghanistan last week, everyone knew within hours that he had gone to Logar Province.

KABUL: Generals' Support

(Continued from page 1)

United Nations representatives and foreign diplomats, six of the seven main mujahidin leaders have been meeting in Peshawar in hopes of preventing an outbreak of factional violence in the capital.

General Uloomi and another senior Kabul commander, the air force chief of staff, General Abdul Jamil, discounted broadcast statements by Mr. Hekmatyar in which he reportedly has threatened to launch a frontal assault on the capital on Sunday, the 14th anniversary of the upheaval that put the Communists in charge in Afghanistan.

General Jamil said air force reconnaissance flights over the valleys south of Kabul, where Mr. Hekmatyar's forces have been based in the past, had detected no signs of any imminent military buildup by the rebels.

He said there were "different kinds of groups" scattered around the southern outskirts, including "thieves and robbers, maybe things like that." But he added that he had not felt it necessary to bomb any of these targets to protect Kabul.

General Jamil said that in a recent meeting with a senior Kabul general, Mr. Hekmatyar said he had no plans to attack the capital and described reports of his supposed threats as propaganda meant to discredit him.

Despite sporadic clashes around Kabul between Mr. Hekmatyar's rebels and those from rival groups, as well as occasional artillery exchanges on the fringes of the city, the capital has remained generally calm.

Nonetheless, the reports that Mr. Hekmatyar threatened to attack the capital remains a source of anxiety for many in Kabul, where the central government's collapse and large-scale troop defections have undermined faith in the city's defenses.

Some observers doubt that Mr. Hekmatyar's rebel forces will respond to an attack order even if he issues one.

A Hekmatyar military commander, Mohammed Abdul Ghaffar, who said he had entered the capital unarmed to pay his respects at the tomb of Afghanistan's ancient Emperor Babar and to seek talks with government and rival rebel leaders, predicted that a number of Hekmatyar field commanders would choose to negotiate a peaceful coalition in the capital no matter what their leader ordered.

"We would be perfectly happy to unite with Masoud," Mr. Ghaffar said. Mr. Masoud's forces led the drive on Kabul last week that forced the ouster of President Najibullah, and have now dug in to defend the capital in alliance with government soldiers. Mr. Ghaffar did not say how many commanders had decided on this course.

CAPITAL: Kabul Swarms With Guerrilla Fighters

(Continued from page 1)

minority with close ethnic ties to Iran.

Ali Rizai, commander of the guerrillas, at the mosque said: "We don't want to fight. We have stopped fighting to see what the United Nations can do."

"As for Gulbuddin Hekmatyar, not all of the Islamic Party wants to fight," he said. "Only some want to fight. But we will not allow Gulbuddin Hekmatyar to attack Kabul."

Throughout Dastuybarchi life carried on normally, with shops open, children rolling bicycle rings with sticks, and old men drinking tea in tiny stalls surrounded by thick mud walls. What was new were green banners announcing the arrival of the Islamic Coalition Council, and the posters emblazoned with the portrait of Ayatol-

lah Ruhollah Khomeini, the late Iranian leader who is the group's guiding spirit.

Just down the road, another Iranian-supported rebel group was opening its offices and broadcasting messages from a hastily rigged speaker system.

At an Islamic Coalition Council checkpoint, Ghulam Nabi, 24, hefted a machine gun onto his shoulder as he spoke about his life.

"I have fought for 11 years," he said. "I was a student when I joined. I am commander of this small group, about 15 people."

"After the war is over, I will go to study," he said. "I want to study English, and then I want to go to America and Europe."

Nearly all the country's rebel groups, except Mr. Hekmatyar's, are now loosely allied and seem determined to replace the Kabul

BALKANS: An EC That's as Fractious as Ever

(Continued from page 1)

members agreed only reluctantly to follow Germany's lead.

The United States reacted then, but in recent weeks, as the fighting spread to Bosnia-Herzegovina, Washington has got much tougher on Serbia, which still says it acts in the name of Yugoslavia. American officials blame Serbian forces for most of the violence in Bosnia; they have threatened to withdraw diplomatic recognition of Belgrade and have lobbied EC capitals for support.

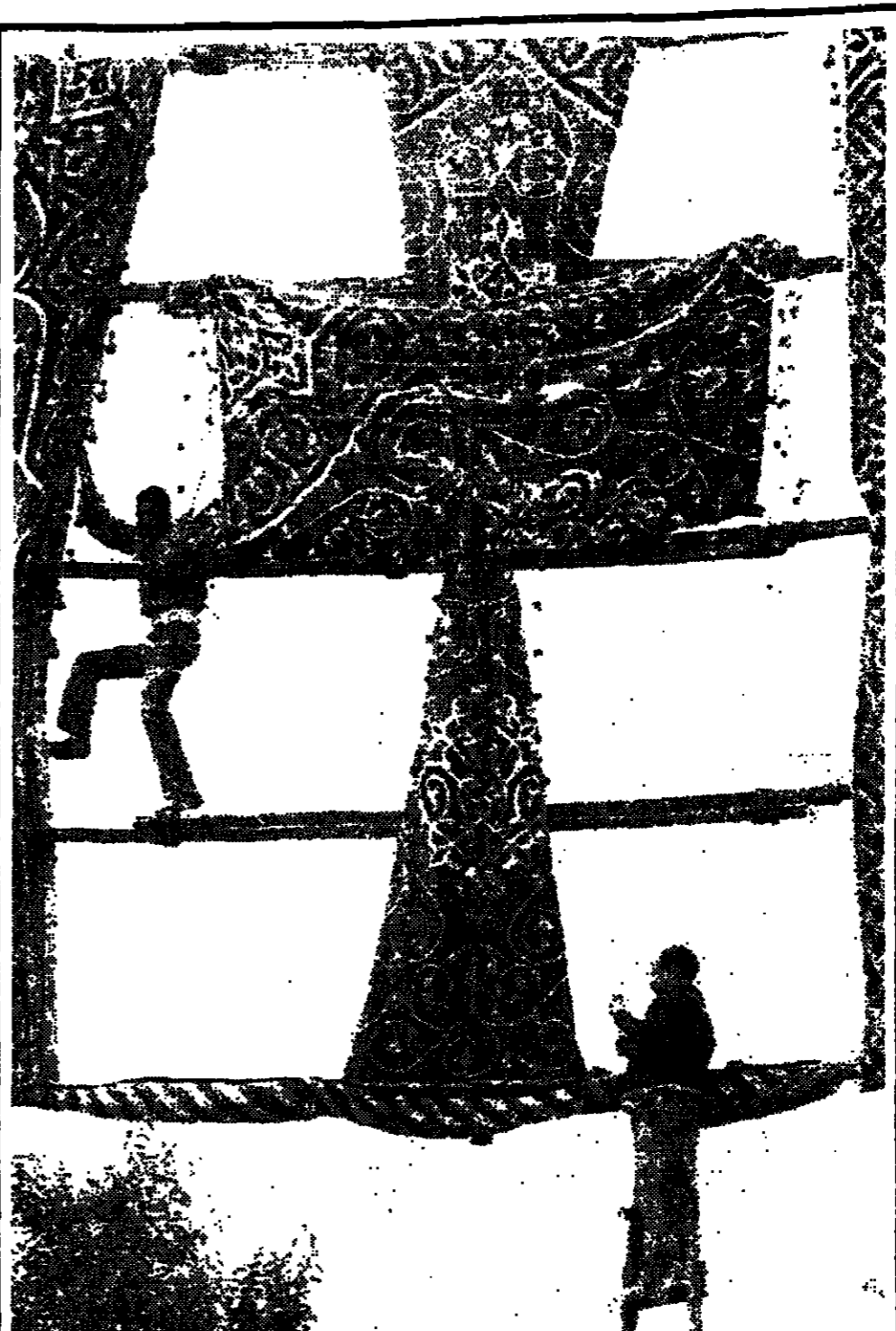
So far they have been backed not so much by "Europe" as by Germany. Mr. Genscher and his Dutch counterpart, Hans van den Broek, also called Thursday for a Security Council discussion of the situation in Bosnia.

The two ministers tried in addition to persuade the Serbian foreign minister, Vladislav Jovanovic, to pull Serbian troops out of Bosnia, without success. The same day, the British foreign secretary, Douglas Hurd, was in Athens, warning the Greeks as well as the Serbs to lay off in Bosnia.

But he was apparently unsuccessful in persuading Greece, an EC member, to drop its objections to recognition of the breakaway Yugoslav republic of Macedonia. Greece has said that it will never accept a new country on its northern border as long as the country insists on calling itself Macedonia, which is also the name of the northernmost Greek province. If the new, mainly Balkan state wants recognition by the Community, Greece insists, it will have to agree to be called Skopje instead.

The EC foreign ministers will meet privately and informally in Guimarães, Portugal, next Friday and Saturday to try to thrash out a more unified line, according to diplomats.

One problem, according to several experts, is that Europe has no agreed military means of carrying out a common security policy in situations like Yugoslavia. The North Atlantic Treaty Organization agreed last year to set up a rapid-reaction force, but it has not yet been put together, according to NATO diplomats in Brussels. Nor is there any agreement yet between Europeans and Americans on whether such a force could be used



COPTIC EASTER — Workers erecting a large cloth cross outside the main Coptic cathedral in Cairo on Friday. A midnight Mass on Saturday will be the main event of the church's festivities.

Some Hail Choice of Hong Kong Governor

Compiled by Our Staff From Dispatches
HONG KONG — Politicians and commentators here gave a cautious welcome Friday to the appointment of Christopher Patten, the chairman of Britain's Conservative Party, as the next, and probably last, governor of Hong Kong.

Some said they hoped Mr. Patten, a career politician, would be tougher in defense of Hong Kong's interests than his predecessor, Lord Wilson, has been.

Prime Minister John Major announced Friday that Mr. Patten, 47, would become governor in July.

Some analysts hailed the choice of a politician instead of a career diplomat, as Lord Wilson is, to steer the colony through the last years of colonial rule before China takes over in 1997.

"We need a stronger governor who can keep leadership both in diplomatic and internal affairs," said Jane Lee, a political science teacher at the City Polytechnic. "The existing governor is quite weak in terms of leadership."

But some analysts were worried that Mr. Patten may only have the job as a payoff for having helped Mr. Major win the April general election. Mr. Patten lost his parliamentary seat in Bath.

"We have to ask whether Hong Kong's situation is being taken seriously by appointing a defeated politician," Miss Lee said.

Martin Lee, a Hong Kong legislator, said he hoped Mr. Patten would "show the people of Hong Kong by his conduct that he really wants to do something for the people."

(Reuters, AP)

Germany Doubts Authenticity of Terrorists' Letter

Reuters
BONN — Germany's justice minister on Friday dismissed a letter purporting to come from the Red Army Faction that contradicts an earlier offer from the group to renounce violence.

Justice Minister Klaus Kinkel said the latest letter, which was made public on Friday, appeared to be a bid to wreck chaos opened by the first letter of ending the Red Army Faction's 20-year war against the state.

Mr. Kinkel said the second letter did not appear to be from the Red Army Faction "but could still possibly be from a regional resistance group." He warned that there could be more attempts to derail his efforts to talk guerrillas into giving up their armed struggle.

Mr. Kinkel has called for reconciliation between the state and the underground guerrillas and has said jailed members should be considered for early release.

SELL: Red Square Up for Grabs

(Continued from page 1)

a traditional celebration of spring, which has been held on Red Square since the 12th century.

"Until 1917, we had such celebrations," Mr. Genscher said, "and now we have decided to return to them, after an unnatural interruption."

Muscovites have already become used to buses and trolleys covered in advertisements for Pepsi-Cola and Camel cigarettes.

Birds of A Feather By Ernie Furtado

The forces that have located on the border of the city are mixed with different groups," he said. "Doestam and his forces are in Kabul," he said, referring to General Rashid Doestam, the military leader of the northern shura, or council, made up mostly of Uzbek and Tajik nationalities.

"To be frank, the people are afraid of them," he said. "They are most feared and hated. They loot and steal."

"They are not under the control of the government. Whatever they want to do, they do."

ACROSS

- Fledgling's home
- Power of Hollywood
- Liths
- In full measure
- Model
- Rara avis
- Capacity
- Waters' people
- Lawrence of Arabia' director
- ... where the buffalo ...
- Place for fans
- Incite
- Jay, Robin and canary
- Lock
- Rauss's affirmatives
- Completed
- Camber
- ... is I set it down" Hamlet
- Lily-family member
- N. M. Indian
- "As I lean as his horse as is" Chaucer
- Note from Guido
- Fabric ends
- Now to Columbia

48 Bear, Cat and mouse

54 Rex Crane's captain

55 Words of approximation

56 Sis

57 Rumor in Montmartre

58 Concur

60 One way to stand

61 ... Jm, rock group

63 Big Ten inst.

64 Heather, Daisy and hyacinth

71 Defunct cage pp

72 NYC subway

73 Actress Alicia

74 Duke's ex

75 Famed fiddle

77 Norman "boa"

78 Alisha's battle town

79 The Big ... of basketball

83 Carfish, Cicer and ale

89 Dusseldorf donkey

90 Nurses' ...

91 Shoe width for Big Foot

92 U.S.S.R. workers collective

93 "LA. Law" actress

DOWN

- Carter of "Ain't Misbehavin"
- S Gram Ioe
- Ubiquitous
- Neil Sheff is one
- Glum
- "Marriage is ... Certainties
- Tip
- Mammal found from Argentina to the southern U.S.
- Iris-family members, for short
- Trevi throw-in
- Portent
- Skirt style
- It goes with time
- Kitchen wear
- Templar
- Prize
- ... majesty
- River to the North Sea
- Mucho types
- Birth

30 Madagascar's largest carnivore

31 Bunyan's ox

35 Old to Burns

37 Come-up

38 Tallie

39 ... of Honey

40 My, to monsieur

41 Parhelion

42 Carve

43 Vinegar

45 Palindromic craft

46 Nas in

50 Marta of the movies

51 majesty

52 River to the North Sea

58 Muchos types

59 Birth

62 Successful

64 Secured

65 Insensitive

66 Unger portrayer

67 He won an Oscar for Mirth

68 "That roasts itself" ... Shak

69 TV newsman

70 Nigh

76 Pt. of NATO

78 Balance also called lever scale

80 Precedes in time

81 Young or old chaser

82 Tangle tail

84 Street show

85 "For beauty lives with ..." Shak

86 Half a Broadway title

87 Crusoe's creator

88 "I Won't ... Day Without You" Paul Williams

89 It goes with eye of an

96 Soapbox demagogue

97 Make a larger margin

98 Gruff

102 Hoopie whoops

103 Fr ladies

104 Musical finale

105 Discontinue

106 Scholar's deg

107 Million follower

108 It's the same to a Roman

109 President of Albania

110 Substance

111 Same as right

MIME: The Octopus, Brainy as Well as Beautiful

(Continued from page 1)

related to the cognitive abilities of the learning system of more advanced species.

Their finding was based on a simple experiment involving *Octopus vulgaris*, the common octopus found throughout temperate and tropical seas. Like all octopuses, its body is entirely soft. The largest individuals measure about 3 meters (10 feet) from the tip of the head to the end of the longest of the eight tentacles.

In the first stage of the experiment, an octopus was trained to swim to one of two differently colored balls placed in its tank. If the red ball was the "right" one in the experiment and the creature went to the white ball, it received a mild electric shock. But if it went to the red ball, it was rewarded with a piece of fish hidden behind the ball.

Once the creature learned to go to the correct ball every time, an untrained octopus was placed in an adjacent tank so that it could watch the first octopus choose between another pair of balls.

The scientists said these observations showed that the octopus has the most complex brain of any invertebrate. In some ways, in fact, their brains compare with those of mammals.

For example, an experimental psychologist at the University of Oxford in England, J.Z. Young, has found that the octopus's memory functions are organized somewhat like those of mammals. Mr. Young also discovered that octopuses can take in many kinds of specialized information and then generalize from those specifics in a way that allows them to make appropriate

decisions when faced with novel situations.

Octopuses also have a reputation among aquarium keepers as being curious, bright and easily trained. The mollusks are said to show great curiosity about what goes on in the room outside their tank and have been known to crawl out of the tank and into another in the room where they see potential prey, such as crabs and less mobile mollusks.

Like their cousins the squids and nautilus, octopuses can change their color rapidly, both for camouflage and possibly as a way of communicating a range of emotions.

The observers in most cases chose the right ball right away, the scientists said, whereas the human-trained octopuses took an average of 16 trials to learn to go to the red ball consistently and 21 to go to the white.

In the first four trials of the observer octopuses, by contrast, they scored an average of 86 percent correct when the red ball was the "right" one and 70 percent correct when the white ball was "right." (Something about red balls, apparently, was more attractive.)

Even when the observer octopuses were tested five days after having watched the human-trained creature, they scored about as well.

The finding jibes with other research showing that the octopus has the most complex brain of any invertebrate. In some ways, in fact, their brains compare with those of mammals.

For example, an experimental psychologist at the University of Oxford in England, J.Z. Young, has found that the octopus's memory functions are organized somewhat like those of mammals. Mr. Young also discovered that octopuses can take in many kinds of specialized information and then generalize from those specifics in a way that allows them to make appropriate

Rabin Suggests Leasing the Golan

Reuters
JERUSALEM — Yitzhak Rabin, the Labor Party leader, says that while Israel should never withdraw from the Golan Heights he might support leasing the disputed region from Syria.

Mr. Rabin, challenging Prime Minister Yitzhak Shamir's rightist Likud party in a June 23 election, told the Jerusalem Post, "I believe that Israel should not go down from the Golan Heights, even in the context of a peace treaty."

"At the same time, there is limited room for a territorial compromise," he said. "There might be other compromises which I will not elaborate on, like leasing the land." Israel captured the Golan Heights from Syria in the 1967 Middle East War and, in defiance of international opinion, annexed the territory in 1981.

Solution to Puzzle of April 18-19

ACROSS

- 1 Fledgling's home
- 2 Power of Hollywood
- 3 Liths
- 4 In full measure
- 5 Model
- 6 Rara avis
- 7 Capacity
- 8 Waters' people
- 9 Lawrence of Arabia' director
- 10 ... where the buffalo ...
- 11 Place for fans
- 12 Incite
- 13 Jay, Robin and canary
- 14 Lock
- 15 Rauss's affirmatives
- 16 Completed
- 17 Camber
- 18 ... is I set it down" Hamlet
- 19 Lily-family member
- 20 N. M. Indian
- 21 "As I lean as his horse as is" Chaucer
- 22 Note from Guido
- 23 Fabric ends
- 24 Now to Columbia

DOWN

- 1 Carter of "Ain't Misbehavin"
- 2 S Gram Ioe
- 3 Ubiquitous
- 4 Neil Sheff is one
- 5 Glum
- 6 "Marriage is ... Certainties
- 7 Tip
- 8 Mammal found from Argentina to the southern U.S.
- 9 Iris-family members, for short
- 10 Trevi throw-in
- 11 Portent
- 12 Skirt style
- 13 It goes with time
- 14 Kitchen wear
- 15 Templar
- 16 Prize
- 17 ... majesty
- 18 River to the North Sea
- 19 Muchos types
- 20 Birth

Birds of A Feather By Ernie Furtado

© New York Times, edited by Eugene Malachuk.

30 Madagascar's largest carnivore

31 Bunyan's ox

35 Old to Burns

37 Come-up

38 Tallie

39 ... of Honey

40 My, to monsieur

41 Parhelion

42 Carve

43 Vinegar

45 Palindromic craft

46 Nas in

50 Marta of the movies

51 majesty

52 River to the North Sea

58 Muchos types

59 Birth

62 Successful

64 Secured

65 Insensitive

66 Unger portrayer

67 He won an Oscar for Mirth

68 "That roasts itself" ... Shak

69 TV newsman

70 Nigh

76 Pt. of NATO

78 Balance also called lever scale

80 Precedes in time

81 Young or old chaser

82 Tangle tail

84 Street show

85 "For beauty lives with ..." Shak

86 Half a Broadway title

87 Crusoe's creator

88 "I Won't ... Day Without You" Paul Williams

89 It goes with eye of an

96 Soapbox demagogue

97 Make a larger margin

98 Gruff

102 Hoopie whoops

103 Fr ladies

104 Musical finale

105 Discontinue

106 Scholar's deg

107 Million follower

108 It's the same to a Roman

109 President of Albania

110 Substance

111 Same as right

AMSTERDAM

HAESJE CLAES

Real Dutch Cooking. Open from lunch until midnight. Spoorweg 275. Tel. 624 99 98. Reservations recommended. All major credit cards.

DUBLIN

POLO I

Dublin's most fashionable International Restaurant. 5/6 Malborough Place, Dublin 2. Ireland. Tel. 766 442

PARIS 1st

CARR'S

AUBERGE DE FRANCE

Bar - Restaurant - Warm Welcome

French and Irish cooking.

1, rue de Valenciennes. Tel. 42.60.62.26

PARIS 7th

THOUJIEUX

Specialties of the South-West. Cuisine de terroir & cordon rouge au coeur de la cuisine. Open everyday 79 r. St-Denis. Tel. (1) 47 05 49 75. Near Invalides Terminal.

PARIS 15th

LE WESTERN

The classic restaurant in Paris. Formule Western F.F. 220. Open daily. Tel. 42.73.92.00. Paris Hilton - 18, ave. de Suffren.

PARIS 17th

AL GOLDENBERG

Mediterranean - Pastoral - Cream cheese bagel and low cholesterol - Cheese cake & hot bread. Jewish specialties. 49, av. de Wagram. Tel. 42.27.34.79. Every day up to midnight.

CHEZ FRED

Lyonnais bistro, traditional French cooking, daily dishes. 190 bis, bd. Ponce. Tel. 45.74.20.48.

ROME

DA MEO PATACCA

Traditional. Best famous for fun food, music & folklore. 10153 Rome, Piazza del Mercato 30. Tel. 06-5916198. 5921972. Fax 592222.

VINNA

KERVANSARAY

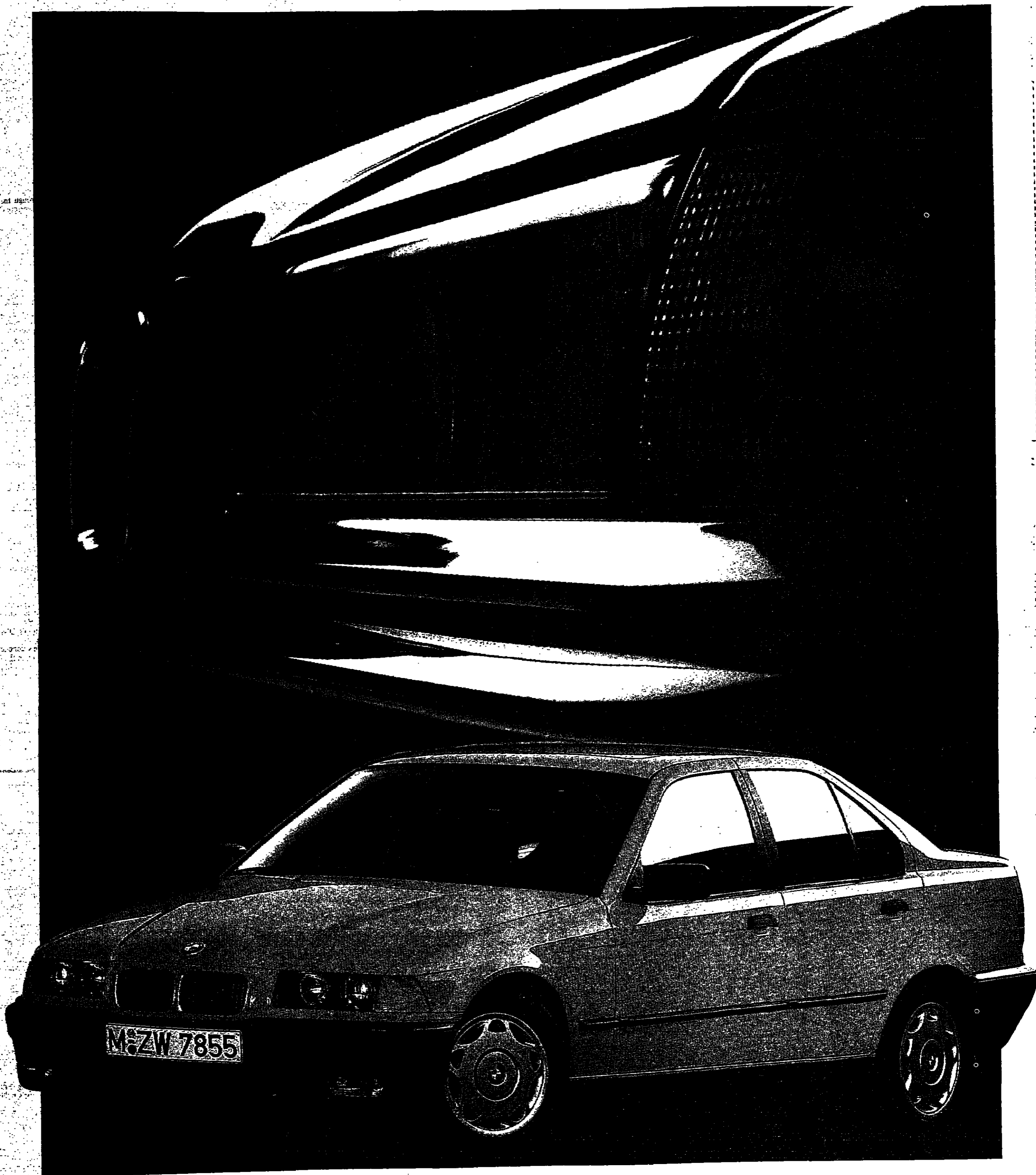
Turkish & Int'l specialties, lobster bar, best seafood restaurant, 1st floor, Mkharrir 9. Tel. 5128843. Air conditioned, 90 m. Open. Noon's pm 6 p.m.-1 a.m., except Sunday. Open holidays.

INTERNATIONAL Herald Tribune

LIVING IN THE U.S.?

NOW PRINTED IN NEW YORK FOR SAME DAY DELIVERY IN KEY CITIES TO SUBSCRIBE, CALL 1-800-882-2884 (IN NEW YORK, CALL 212-752-3890)

REMAIN TRUE TO YOURSELF AND YOU'LL BE REWARDED.



THE BMW 3-SERIES. WINNER OF THE 1992 CAR DESIGN AWARD TORINO-PIEMONTE.

When we set out to design the new 3-Series, the question was how to accommodate new customer and social needs, like improving aerodynamic efficiency and increasing interior space, without sacrificing the characteristic BMW look.

In short, how to design a new BMW that remains a true BMW. This would require an unprecedented amount of skill and imagination.

And we are glad to say that representatives from the world's leading automotive magazines appreciated our efforts, bestowing our designers with the renowned Car Design Award Torino-Piemonte for their work on the new 3-Series sedan.

Which just goes to show that when you design cars that are truly distinctive, they just can't escape recognition.



THE ULTIMATE DRIVING MACHINE.

Some Choices Hong Kong Government
Germany Dubs Authenticity Terrorists' La
Well as Beautiful
Rabin Suggests Leasing the Golan
Tribune IN THE U.S. PRINTED IN NEW YORK SAME DAY IN KEY CITIES 1-882-2881

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Perot: Still an Unknown

Millions of Americans fed up with drift, deficits and overdrains think they have found a savior in Ross Perot...

Little is known, for example, about his views on foreign affairs. He opposed the Gulf War (Kurdish regime, he argued, was not worth the risk) and he favors aid to the new Soviet republics...

How Mr. Perot would govern is also a mystery. Newsweek called the Perot campaign "talk show democracy."

There is something disarmingly attractive about this. It suggests efficiency. It suggests citizen democracy on a massive scale.

Cameras in the Court

A crowd began gathering in front of the U.S. Supreme Court during the rainy evening on Tuesday, and before midnight every ticket available to members of the public who wanted to hear the argument in the Pennsylvania abortion case...

Aided by expert commentary on subjects ranging from the rules of evidence to the quality of the cross-examination, the public is learning about the judicial system.

Is this a sign of what is ahead in the Supreme Court? Chief Justice William Rehnquist views the reform more favorably than did his predecessor, Warren Burger.

Electronic Documents

If you work in the White House or high up in government, U.S. federal law requires that your work be preserved for posterity.

save any documents relating to potentially significant business and turn the material over to archivists. The White House says staffers are also supposed to print out their e-mail messages and save them when they are "significant."

Courts may not glean as much from the presumably more self-conscious e-mail tapes of the future, but the history argument still holds.

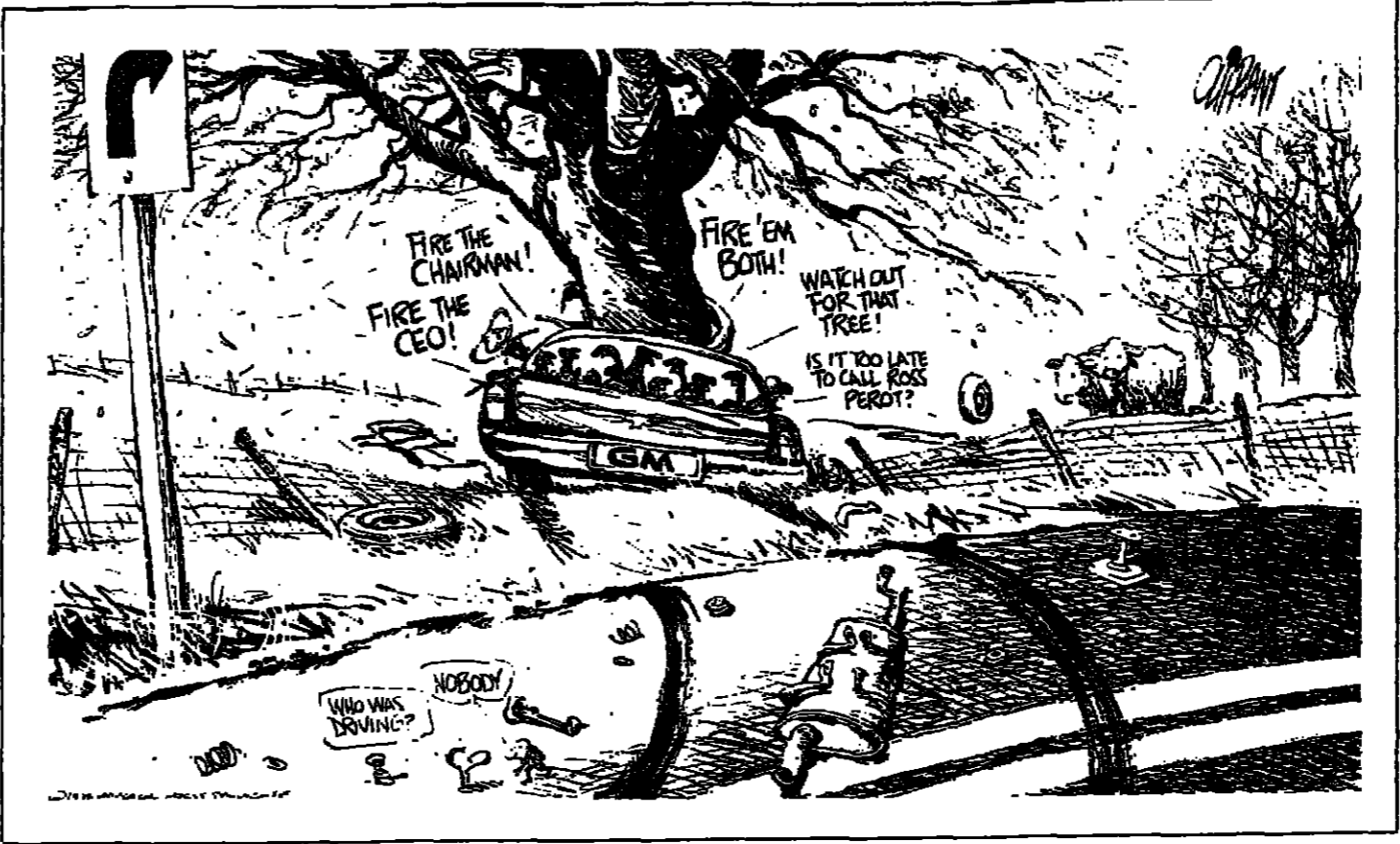
Other Comment

Iran Arrives as Russia Leaves

Nagorno-Karabakh intends to reject Russia as a mediator in the Armenia-Azerbaijan conflict. The Nagorno-Karabakh parliament has declared its official letter to Russian Foreign Minister Andrei Kozyrev...

as equal sides, while Moscow proposes talks only between Baku and Yerevan (capital of Armenia). If Stepanakert does reject Moscow, the prestige of Iran in the region will be considerably enhanced...

Iran is trying to be present in various regions of the world as if it were the legitimate heir of the Soviet Union in what used to be called the arc of crisis stretching from Afghanistan to the African Horn.



Saudi Cheating? That Juicy Leak Was a Mirage

By Leslie H. Gelb

NEW YORK—Where there's a juicy news leak, there's usually fire. But sometimes there isn't. The juicy leak in question came in a Los Angeles Times article. It said the Saudis had been trafficking in illegal transfers of U.S. arms to Iraq and Syria.

U.S. counterpart, was pressing for a decision. McDonnell Douglas, the manufacturer of the F-15, was lobbying hard for the order to keep open its production line.

Mr. Bush could not ask Congress to bless the sale before mid-May. He has scheduled a little-noticed Middle East arms control conference for that time in Washington.

Nor could Mr. Bush beard Congress before late June. That is when Israeli elections will be held, and Prime Minister Yitzhak Shamir would use the sale to show a Bush tilt toward the Arabs.

Nor does it make sense for Mr. Bush to test this issue before November. Whatever the polls show, he is running scared and does not want to further irritate American supporters of Israel.

Arabia had sent word that he was in no hurry about the sale. He did not want to put his friend George Bush in an awkward political situation.

The Saudis can afford to wait. They understand that Congress would not approve the sale in an election year anyway.

But whatever promises have been made and whoever the next president is, the sale will be a tough issue. True, the Saudis have been helpful in the current peace process with Israel.

On the other hand, the version of the F-15 sought by the Saudis would give them a new and powerful land attack capability against Israel.

Meanwhile, the leakers of the Los Angeles Times story got their just desserts. They planted a phony tale and were found out.

In their haste, they lost. And Washington gained a better chance to grapple fairly with this critical security issue next year.

Death Penalty: It's an Old Story and It Isn't Over

By Brian Knowlton

PARIS—Is there a humane way for society to kill? Can there be such a thing as a better way than eye-for-an-eye or lethal injection? Should there be any way at all? Or if the state must deal in death, is there a danger in making it too swift, too painless?

quarter a man who had attacked Louis XV, ended up employing a sharp knife—causing no end of scandal.

On the eve of the Revolution, it was still common to burn condemned wretches at the stake, hang them or break limbs on a wheel before a final, fatal blow to the thorax.

The machine Guillotin proposed was meant to end such cruel punishment. Other peoples—the Italians, Germans, English and Scots—had used similar devices, but they had been reserved for the aristocracy.

Guillotin hoped to do the masses a favor: His machine would reflect the social and intellectual progress that the Revolution symbolized.

Robespierre (who would later change his tune) was opposed. The death penalty, he said, was unjust and of no dissuasive value.

One wonders: If execution as slow and public as was then practiced had no dissuasive value, what of today's relatively swift and private versions?

In the end, the killing machine was built. After tests on live sheep, and on three human cadavers, it was first used on a live human on April 25, 1792, at what is now the square in front of Paris's city hall.

Guillotin had hoped that his machine would restore dignity to the people and the executioner, providing a way figuratively for the former and literally for the latter—to keep their hands clean.

For some, the machine was even too efficient—its work was done so quickly that there was nothing to see. "Bring back the gallows, the good old wooden gallows." Others called these ghoulish souls "cannibals."

The debate had religious undertones. Previous methods of execution offered enough pain and suffering to allow the onlooker to feel that a dying person was purchasing a degree of heavenly redemption.

Or perhaps not. There were reports that death might not be instantaneous after all. Heads were said to have spoken; that of Charlotte Corday (Marat's assassin), when slapped by a gloating executioner, reputedly blushed in humiliation.

Was it possible to "know" one's own death? A doctor asked a colleague, about to be guillotined, to wink three times after the blade fell. The results were inconclusive.

Under pressure to speed the pace of killing, the executioner Charles Sanson took on additional assistants. A bonus was asked for him after June 17, 1794, when he oversaw 54 killings in only 24 minutes.

Sanson, whose father, grandfather and great-grandfather were executioners before him, was said to have a kind heart, but only once did onlookers see a show of emotion—when a young aide (possibly his son), dashing to grab a head to hold up for the crowd's approval, slipped from the platform and tumbled to his death.

Great News From Behind the Library

By A. M. Rosenthal

NEW YORK—At 12:20 P.M. a man in a bow tie could be spotted walking around 42d Street approaching strangers and asking crazy questions. "Isn't it pretty here?" "Does it make you happy?" "How long do you think it will last?"

MEANWHILE like a horse in blinders, walk as fast as you can without breaking into a trot and, for Heaven's sake, you never talk to anybody.

And that particular spot on 42d Street was known as a specially unpleasant place. You walked around it, not through it, unless you enjoyed picking your way through hustlers, panhandlers, winos, junkies and muggers while observing rats lurch on the garbage.

So, asking questions, I felt a little like the foreigner in the old joke who for the fourth time goes up to some New Yorker for directions, and says: "Sir, can you tell me how to get to Lexington Avenue or should I just go down in my car?"

But all of a sudden it was opening night at noon. All of a sudden there is a park on 42d Street, a real park, not the mean travesty that was so dangerous and scruffy that the only way to deal with it was to close it down—close down the only open space in the midtown heart of Manhattan.

In the past few days, New York has had four pieces of good news. Almost one a day! First came Mayor David Dinkins's plan for opening clinics so people without money can

have the same doctor every time, not whoever is on duty at overcrowded emergency rooms. Then, the park.

And "Guys and Dolls." New York's own magnificent fairy tale, a wonderful foot-stomping show full of superb talent that will send you out singing and dancing!

Even if they pass up the chance: Could a show like that be written about Washington or Chicago or Philadelphia? Don't make me laugh.

The fourth and best piece of New York news is that Bryant Park is the combined creation of New York businessmen, foundations, artists, neighborhood companies and city officials and was done with city and private money. It is the way things should and can be done.

I know that one park does not eliminate the city's problems. Yes. Yes. I am sure my next New York column will be appropriately dour. But if we can't take pleasure from something pleasurable, we are not simply headed toward madness but already there.

I am a New York optimist. One, I love the place—often, anyway. Two, I make my living here. That tends to inspire boosterism in all but the suicidal.

So I am a New York booster. So sue me, do something to me. Now for the significance. Bryant Park is good for New York. And what is good for New York is good for America!

Now for the significance. Bryant Park is good for New York. And what is good for New York is good for America!

Afghanistan Has Taught A Lesson

By Jim Hoagland

WASHINGTON—The danger business is not what it used to be. In Cold War days even minor despots expected to flee abroad with a hunk of the national treasury when the guerrillas came to storm the presidential palace.

It is a refreshing change and a fitting end for General Najibullah. He should have to answer for his crimes, just as his Soviet bosses in one sense have already answered for theirs.

We still cannot be certain if the Politburo majority that ordered the Soviet invasion in December 1979 was seriously crazy or simply drunk. They made history, but not in the ways that they or America's leaders expected.

Both Moscow and Washington were entranced in the 1970s by the illusion of Soviet "power projection" into the Third World. The Brezhnev Politburo believed as firmly as the CIA that Africa, the Middle East and Asia were imminently susceptible to Communist ideology and would be easy pickings for Soviet military might.

It was strong in firepower, into the middle of an internal struggle among tribes that have spent centuries grudgingly invading forces to dust.

The invasion hit Washington as a new bid for world domination, not as a colossal blunder. Jimmy Carter rushed to admit that he had misjudged Moscow, and launched an expensive new American military buildup.

National security advisers filled the air with predictions that the Soviets would use Afghanistan as a springboard to take over South Asia, the Middle East and the Horn of Africa—the "arc of crisis." Some springboard. The Soviets propelled themselves right into a suffocating quagmire.

In ways that Vietnam never was for America, Afghanistan became a pot of quicksand for the Soviets, dragging them down and draining their already fading strength. It brought together all the weaknesses the Soviets demonstrated in other Third World countries, which were by 1979 at least skeptical and resentful of Soviet intentions as of Western presence.

The Chinese-Soviet split and Egypt's expulsion of Soviet advisers in 1972 provided strong clues to these Soviet weaknesses. The Soviets were unable to turn rhetoric and cunning guile into true influence in lands struggling to rise out of poverty.

These examples were discounted in Washington, where bitter disputes raged among CIA analysts over Soviet intentions and capabilities in the Third World. These disputes burst into public view during last autumn's Senate confirmation hearings for CIA Director Robert Gates.

As the Revolution began to eat its own, justice became rougher and more expeditious. A Madame Mayer was brought before the public accuser in place of a Madame de Maille. She was sentenced to death nonetheless, "because she is here." Another day, a father was condemned when his son was the intended victim. He went silently, and nobly, to his death.

The young Louis XVI, a thick-necked man, gave his executioners trouble. When the heavy blade failed to take his head off cleanly, Sanson and aides had to press down on it. So much for humane death.

A provincial executioner forgot to cut the thick tresses of a beautiful young woman, or to tie her hands and legs. She died writhing, and this so angered the crowd that the executioner himself was later put to death.

When the guillotine was finally abandoned in 1981, it had long since lost any grim glamour. Over the years, the authorities had put an end to the street theater surrounding it. It was removed from public squares and stored near prisons. In 1939, executions were closed to the public.

If you stand at the corner of the rue du Croix-Faubin and the rue de la Roquette in the 11th arrondissement of Paris, you can see rectangular slabs of stone embedded in the street forming a long narrow X. Here, within the memory of some remaining residents, at the end of a colorless street, the guillotine stood facing what once was the entrance to the Grande Roquette prison and is now a lovely park.

Calls are heard in Washington today for heavy engagement in Central Asia or the Middle East to contain or roll back a mobilizable tide of fundamentalism. Listen closely and you will hear a new guinea pig being fed. The United States can afford to let local and regional forces run their course in this turbulent time.

Received last night (April 23) by the State Department. The message declared that Russia is not more ready to withdraw from the war without having achieved her objectives than is the United States.

LONDON—[From our New York edition:] Heinrich Koppenberg, manager of Germany's Junkers aircraft works, has been imprisoned by Federal Adolf Hitler, who is purging the leadership of Germany's war industry for failing to meet the soaring output of American factories, authoritative British quartermasters said tonight (April 24), Koppenberg, it was said, was put in Dachau concentration camp. He was reported arrested at Dessau, in northern Germany, site of the Junkers Flugzeug und Motoren works, where Junkers dive-bombers are manufactured, after reportedly telling Hitler that it was "impossible" to step up production.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: A Conundrum

PARIS—Probably one of the strangest incidents that ever occurred in the annals of cab-driving took place on Sunday night (April 24). A Mme. Duval was knocked down by a cab and seriously injured.

LONDON—[From our New York edition:] Heinrich Koppenberg, manager of Germany's Junkers aircraft works, has been imprisoned by Federal Adolf Hitler, who is purging the leadership of Germany's war industry for failing to meet the soaring output of American factories, authoritative British quartermasters said tonight (April 24), Koppenberg, it was said, was put in Dachau concentration camp.

1917: No Separate Peace

NEW YORK—Russia stands steadfast in the midst of German intrigues and will not even think of making a separate peace, according to a statement...

INTERNATIONAL HERALD TRIBUNE
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
LEE W. HUEBNER, Publisher
JOHN VINOCCUR, Executive Editor
WALTER WELLS, News Editor
SAMUEL ABT, KATHERINE KNORR
and CHARLES MITCHELMOORE, Deputy Editors
CARL FLEWELTZ, Associate Editor
ROBERT J. DONAHUE, Editor of the Editorial Pages
REGINALD DALE, Economic and Financial Editor
RENE BONDY, Deputy Publisher
RICHARD H. MORGAN, Associate Publisher
JUANITA I. CASPARI, Advertising Sales Director
ROBERT FARRE, Circulation Director
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France
Tel: (1) 46 27 93 00. Telex: Advertising, 61399; Circulation, 61283; Editorial, 61278; Production, 63069.

Arts and Antiques

Museums: When the Cash Runs Out

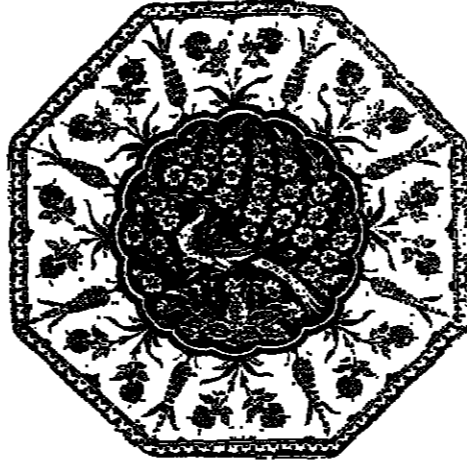
By Souren Melikian

NEW YORK — It is not easy for museums increasingly impoverished by the inner city crisis to acquire great art without money, but it can be done. The demonstration has just been made by the Brooklyn Museum curatorial staff, which displayed an uncommon skill in this new game forced upon hapless cultural institutions.

The going has never been so sticky for this Brooklyn art repository, which was founded in 1896. According to Linda Ferber, chief curator of the museum and curator of American painting and sculpture, the annual operating budget for last fiscal year stood at \$16 million, of which \$6.5 million should have been provided by the city. This was cut by \$2 million, forcing the museum to ax 61 positions, disband a whole department (costumes and textiles), impose an unpaid week on the entire staff last August, get the more highly paid to agree to salary reduction from 1 to 3 percent, and, not least, to close its doors to the public two days a week instead of one. Even though acquisitions are paid for from separate endowed funds, such an environment is not conducive to the festive atmosphere that surrounds art buying.

Making the best of it, the museum declared 1991 a "Year of Opportunities," turned to its broad base of committed supporters and persuaded them to donate 824 works of art. These are "conservatively estimated at \$6 million," according to the museum's director, Robert Buck. The amount is more than triple the value of the art acquired through donations the year before.

From Asian art to ancient Greece, or primitive art, the achievement is as brilliant as it is discreet. No publicity has yet hailed the superb black lacquer dish from 16th-century China, carved with two mythical birds circling amid peonies. Warped in the course of drying, it is otherwise admirably preserved in a large size, 17½ inches (6.8 centimeters) across, and forms part of a group of about 20 related pieces worldwide. Amy Poster, curator of



Tile from 16th-century Damascus.

Asian art, says it was acquired in Japan in the 1880s by the American artist John LaFarge (1835-1910), which makes it all the more significant to the museum, which owns three paintings by him. A descendant, Mrs. Nathan Burnett, who worked as a volunteer in the museum for years and offered it several works she had inherited, showed the lacquer dish to the Asian art curator, mentioning casually she "might not keep it," meaning she would get rid of an object she thought was worthless because it was warped. Poster, who very much wanted the piece, dissuaded her from taking such a drastic step, pointing out its superb quality, and in so doing nearly missed the target — Burnett, who is not wealthy, hesitated a bit before parting, for love, with a masterpiece easily worth \$30,000.

Another isolated coup for Poster in December 1991 was the gift of an 11th-century black schist carving from Bengal. Vishnu stands in high relief, flanked by two female consorts playing musical instruments. The 43½-inch-high piece once formed part of a Hindu shrine. The crispness of the sculp-

ture with its skin intact, the size, and, above all, the quality leave behind most comparable pieces of the Pala period in Western museums. The donor is a scientist, David Nalin. He acquired it in the 1960s in what is now Bangladesh. Here again, the human factor was essential in triggering the donation.

Poster, who has known him as a collector for 10 years, says he not only loves the art but takes a deep interest in the culture and has been taking part in the activities of several institutions — attending conferences, reading scholarly literature and, not least, getting to know curators. Was Nalin primarily goaded into action by the museum's current difficulties? Was it the outstanding presentation of the Asian collections in the newly renovated rooms inaugurated in the fall where each sculpture is somehow given a special focus? Or did he merely wish to fill in a gap in a display from which the art of the Pala period was conspicuously absent? A mix of all is the likely answer.

The effort on the museum's part to inspire individual donations of great pieces rather than go for massive groups is illustrated by some rarefied and exquisite acquisitions such as an octagonal revetment tile from mid-16th-century Damascus. A pheasant amid stylized blossoms painted in delicate hues of almond green, aubergine, and black for the outlines, under a colorless glaze, is unusual for the very fine draftsmanship. This was given in 1990 by a noted collector, Jack A. Josephson. He, too, surely responded to the elegant display of so-called Islamic art, much of it from Iran and to a lesser degree Syria and Egypt. Leyla Diba, associate curator of Asian art, again managed to isolate small groups and, often, to single out fine pieces. She avoided the pitfall of blending it all in a confused "Middle Eastern" decor in which the outsider's eye gets lost. The Damascus tile proudly catches the eye in its own glass case.

One of the museum's subtler policies is the one that steers the collector from long-term loan to donation.

In 1968, Paul E. Mannheim took a long look at two treasured objects, Attic amphoras with black

Continued on page 9



11th-century black schist carving of Vishnu from the Pala period, Bengal.



Miloslav Moucha, a Paris resident for the past 25 years.

Czech Artists Mull Free Market's Cost

By Alexander Lobrano

PRAQUE — The forbidden fruit has a strange taste, or so many Czech artists have found after three years of freedom dating to the Velvet Revolution of 1989. Dressing for 45 years of the day that their country would return to democracy, few Czech artists would have foreseen that the Café Slavie, a classically *Mitteleuropa* café and former artists' haunt across the street from the National Theater, would become so overrun with tourists that it would be impossible to find a seat, much less pay for a beer, and that, much more seriously, the Deutsche mark would replace state censors as their bete noire.

All of these dislocations have been caused, of course, by the shift from socialism to capitalism. The new market values and creative competition accompanied by the arrival of Western-style hucksterism and high-blown art criticism have come as a severe shock to the country's painters and sculptors.

"Before the revolution your work had to be approved by the state," explains Matt Welch, cultural editor for *Prognosis*, a Prague-based, year-old English-language bimonthly that focuses on Czech politics and culture. "and the interviewing process was basically to make certain that you adhered to the state orthodoxy; they might ask you a question like 'Do you believe in God?' and if you said no, you were all set."

"In exchange for this state sanction, the socialist government found employment for artists, usually either teaching or doing restoration work on historical monuments or other little jobs like designing the country's hideous-looking currency."

As a by-product of this system, most artists found themselves able to earn a living and still spend a considerable amount of their time on personal projects. "For many of the artists, the Communist years were not completely unbearable," says Miloslav Moucha, 50, one of the country's most reputed painters, who has lived in Paris for the past 25 years. "The state was the largest market for art, and almost everyone sold to them. Most of the artists in Czechoslovakia during the Communist years lived better than I did in France. Of course, the state decreed what you could do and what you should not do, but the artist enjoyed a total security. Often, state intervention was more absurd than anything else. A sculptor I know who did a portrait of a worker on state commission, depicted him in jeans, and because jeans were such a powerful symbol of the West, he had to alter the stance in a way that disguised the jeans."

MANY artists also regret the loss of the strong sense of community that was created by the stance of being anti-Communist. "The artists here today are disoriented from the loss of the common enemy," says André Heima, a Prague musician and journalist. "Before, we were all living in the same jail, and now there's a void that has been created by the shift from communal to commercial thinking."

Speaking from the position of an expatriate who knows East and West equally well, Moucha observes: "What Czech artists have yet to realize is that if they've lost one enemy, they've gained another — their enemy today is the dollar, the Deutsche mark and last food. Eventually, they'll see that, East or West, art has become an object of consumption. For the time being, though, it's all about money and more money in Czechoslovakia."

And Heima adds, "The economic situation here right now has destroyed whatever local market there was for art, so for anyone who really wants to sell today, the market is in Germany, and this rickshaws locally in terms of the prices that people are starting to charge and the fact that some artists are beginning to produce what they think the Germans want to buy."

This is assuming, however, that they are lucky enough to have attracted the attention of the German or Swiss collectors who have so quickly come to dominate the country's art market, or what is left of it. Though many artists despair about the way in which chasing marks is distorting and deforming the life of the country's visual arts, few would be in a position to refuse them if they were offered: The already scant local market for art has almost completely collapsed as Czechs grapple with an inflation rate that was over 55 percent last year. Thus, even the young avant-garde is scrambling.

The locally renowned David Cezny, a sculptor and performance artist who does what he calls "provocations," like painting bright pink the Soviet tank that was formerly a monument to the "liberation" of Prague

Continued on page 10

Swords on Cutting Edge of Japanese Art's Auction Success

International Herald Tribune

NEW YORK — The Japanese economy may show signs of strain but Japanese art displays a strength that surprises even the most experienced professionals.

The latest evidence of that sustained vigor is the sensational sale of the Japanese swords collected in a lifetime by the late Dr. Walter A. Compton, which took place at Christie's New York on March 31. The one-day session will long be remembered in market history. This is not only because Christie's sold just over \$8 million worth of swords and sword fittings, making the auction by far the biggest event ever of its kind. It is at least as much because of the deep emotions that the happening stirred and brought to the surface. Only a collection of the caliber achieved by the pharmaceutical researcher, who made his fortune with Miles Laboratories, could have done it.

Compton started collecting as a young man in the United States, where vast numbers of top-quality blades sold off by impoverished feudal families arrived in the late 19th century from Japan. There was a second wave in 1945, immediately after the war ended. The American military authorities in Japan ordered all swords to be handed over, and for two months they poured in. Sebastian Izzard, Christie's director of the Japanese Department, says thousands were destroyed, broken in two and dumped in Tokyo harbor. Some were stolen; others given away. There is the case, well known to insiders, of a British general who was told by the American colonel in charge of the destruction program that he could take his pick of 50 swords. The general, in a flash of inspiration, got hold of a Jap-

anese dealer, who selected the best. Blades such as these eventually found their way into the market. General MacArthur was finally persuaded to rescind the edict but not until considerable destruction had occurred and five blades, registered as national treasures, were missing.

Compton, who made frequent trips to Japan, soon found himself

An American's blade collection fetched more than \$8 million.

totally gripped by his subject and spent hours researching it. His name came to be known to all connoisseurs in Japan. An eminent authority on swords, Junji Honma, spent weeks examining Compton's collection in his home at Elkhart, Indiana, and accepted him as his disciple. Compton came to look at swords as the Japanese do, reverentially. Susuma Kashima writes in the splendid memorial volume "One

Hundred Masterpieces from the Collection of Dr. Walter A. Compton," published by Christie's, that "whenever handling a blade, he would bow and view it gently according to ritual." When the need arose, he gave proof of his respect. One day, he stumbled upon a 13th-century blade by the great swordsmith Kunitada. In his excitement, Compton spent the night rummaging through his reference library until he discovered it was recorded in the "Kokuhon Tokun Zuihitsu" ("Depictions of National Treasure Blades"). This meant it was one of the five national treasure blades that had vanished in 1945. It came from the Terukuni shrine in the Kagoshima prefecture on the island of Kyushu.

Compton flew to Japan in March 1963 and presented the blade as a gift to the Tokyo National Museum. After that, there was little that could add to his fame in Japan, not even the gift he made in the fall of 1970 of two masterpiece blades to the Japanese Sword Society to celebrate the inauguration of its new museum.

The news of his death at the age of 79 in 1990, followed by the announcement of the sale of his collection, created a shock wave among Japanese collectors. Izzard, who took the swords to Tokyo for a special viewing, says he

received 600 answers to the invitations he sent out, "which means 900 to 1,000 people must have come to see the objects."

Considered by the Japanese to be far and away the best collection in the West and one on a par with the three or four best collections formed in Japan in the course of the 20th century — the great historic collections preserved in Japanese aristocratic families stand apart — it stirred up deep emotions.

On auction day, Izzard says, roughly 80 percent in value of the swords went to the Japanese, to which must be added 60 percent in value of the sword fittings, essentially sword guards, or *tsubas*, which, by and large, appeal to a different constituency for their beautiful decorative patterns. It was fascinating to watch the pre-

mier Japanese dealer in swords, Tomihiko Inami, as he sat upright concentrating with gleaming eyes each time he was alerted to a particular item he wanted. He cast his net far and wide.

In the morning sale, Inami bought some of the finest *tsubas*. One of these had been sold to Compton around 1970 by John Harding, the renowned London specialist in Japanese arms and armor who had made the journey to attend the event as did every dealer and collector in the field who mattered. Harding must have felt a twinge as the insignificant and unusual guard of the Mo-moyama period (1573-1600), carved in low relief with peonies, went to Inami for \$28,600. Later, the Tokyo specialist acquired a *tsuba* signed by Ishiguro Masasaki (1813-1878) around 1850 for

\$88,000, far above the high estimate, but also got another *tsuba* signed Hagiya Katsuhira around 1870, well within the Meiji era, for \$66,000, which was precisely the low estimate.

The prices paid for *tsubas*, which Compton only collected as the inevitable complement to his interest in blades, were nothing compared with those attained by blades in the afternoon sale. Christopher Burge, president of Christie's America, conducted that sale in person and, visibly enjoying himself, gave a brilliant performance. Inami bought a Kamakura-period blade signed Sukezane for \$374,000, nearly three times the high estimate. After the sale, he explained in an interview that he remembered seeing the

Continued on page 8

THE BIGGEST AUCTION HOUSE IN FRANCE

OVER 200 AUCTIONS PER YEAR
ALL SPECIALITIES

PARIS - GENEVA - MONTE CARLO
500,000 catalogues distributed throughout the world

"ADER TAJAN"
Offers you its services with

Free estimates - All specialities

No obligations on your part

Please contact : (33-1) 42 61 80 07 - Fax : (33-1) 42 60 79 09
12, RUE FAVART - 75002 PARIS

William Doyle GALLERIES
AUCTIONEERS & APPRAISERS

Important Estate Jewelry

Auction: May 6th at 10 a.m.

European diamond flower pin.

For further information, please call Susan Abeles.

Important 17th & 18th Century English & Continental Furniture and Decorations including Old Master Paintings

Auction: Wednesday, May 20 at 10 a.m.

Italian Baroque walnut bureau-boutique, first half of the 18th century

For further information, please contact Brian Smith
Sales may be previewed Saturday-Tuesday prior to auction date
175 East 87th Street • New York, New York 10128
Telephone (212) 427-2730 • Fax (212) 369-1892

Auction Calendar
May and June 1992

LONDON

19th & 20th Century Photographs 7 May
Stamps 7 May
Wine - An Important Scottish Cellar 7 May
Clocks, Pocketwatches and Barometers 7 May
Wristwatches and Watches 8 May
Fine Chinese Export Ceramics & Works of Art 11 May
Garden Statuary at Wrotham Park, Hertfordshire 12 May
Important Silver, Objects of Vertu and Russian Works of Art 13 May
Fine English Furniture 14 May
Modern British and Irish Paintings, Watercolours, Drawings & Sculpture 14 May
British Ceramics 18 May
Japanese Works of Art 19 May
Valuable Travel and Natural History Books 20 May
Claret and White Bordeaux 21 May
Important 19th Century Furniture, Works of Art and Sculpture 21 May
Continental, Scandinavian and Russian Pictures 22 May
Coins and Medals 28 May
Fine Wines & Vintage Port 28 May
Topographical Pictures 28 May
Spanish Works of Art 28 & 29 May
Continental Ceramics 1 June
Stamps 2, 3 & 4 June
Posters 3 June

Dates correct at time of going to press.

To order illustrated catalogues, please telephone (4471) 231 5240. Credit cards welcome.

For further information, viewing times and assistance with any aspect of buying and selling at auction, please telephone Kate Young on (4471) 389 2129.

CHRISTIE'S
8 King Street, St. James's, London SW1Y 6QT
Tel: (4471) 839 9060 Fax: (4471) 839 1611

N.Y.'s Photo Focus

Museums Confer Status as Art Form

By Dana Micucci

NEW YORK — An art form that supposedly "arrived" in the 1970s, photography seems to be enjoying a revitalization of sorts in the New York art world. Evidence that it has finally come of age can be seen in recent developments at several of the city's principal museums, which have both endorsed and renewed their commitment to photography as a major medium of artistic expression. That institutional imprimatur should further legitimize a market that is gaining wider public acceptance, attracting growing numbers of collectors, and weathering the recession considerably well compared to other sectors of the art market.

"The art field has only recently begun to take photography seriously," says David Ross, director of the Whitney Museum, which has decided to begin acquiring photographs for its permanent collection. "The issue of photography as art is not whether it is an art, but how it has already changed our perceptions. It seems to me essential that a major museum of 20th-century American art include photography in its collection."

The Metropolitan Museum of Art has recently announced the creation of an independent department of photographs, which will be curated

by Maria Morris Hamburg, who was previously associate curator of the museum's department of prints and photographs. Increased exhibitions and acquisitions of photographs at the Metropolitan in recent years, as well as the surge in public response to the medium, prompted the move, according to Philippe de Montebello, the museum's director.

While photography has had its own department at the Museum of Modern Art since 1940, it has existed in relative isolation from the museum's other departments and has always been secondary to painting. That status is changing under the influence of Peter Galassi, the new director of the Modern's department of photography, who last fall succeeded the widely respected John Szarkowski, who retired after 29 years.

Galassi's first exhibition as director, "More Than One Photography," which will open in May, reflects his commitment to exploring the interrelationship between photography and other visual arts. The show will feature works from several of the museum's departments reflecting a trend that has questioned traditional distinctions among artistic mediums. Photographs by Anselm Kiefer, Christian Boltanski, Robert Mapplethorpe, and Cindy Sherman, among others, will be included.

Current patterns in the field, according to Galassi, range from



Tina Modotti's photograph "Roses, Mexico," fetched a record \$165,000.

traditional studio and landscape photography to social documentary, conceptual photocollages, and work that examines the boundaries between fact and fiction.

"There is a growing acceptance of photography in the art world in general," he says.

The increased visibility for the medium at the city's museums and galleries can only strengthen the diverse photography market, which has fared better than many other sectors of the art market throughout the recession. That is largely because important photographically inspired works were less an investment vehicle than contemporary painting, for example, and thus had less far to fall in price, according to the New York photography dealer Harry Lunn.

"The exceptions to this rule were darlings of contemporary art collectors, notably Robert Mapplethorpe and the Stern twins, whose prices on the secondary market have declined in the last 18 months," he says.

Its affordable prices and accessibility as an art form make photography especially attractive to collectors.

New York dealer Edwynn Houk said, "Those collecting contemporary photographic work are concentrating on the most prominent names such as Mapplethorpe, the Stern twins, Cindy Sherman, and Sandy Skoglund. And they are acquiring them at reasonable prices." Work by Sherman, who takes herself as a subject, assuming the persona of celebrities and historical figures, sells in the range of \$10,000 to \$35,000, while photographs by Skoglund, a sculptor who constructs three-dimensional surrealistic scenes and photographs them, have sold from \$5,500 to more than \$14,000 at auctions at Sotheby's within the past two years.

There are large numbers of important photographs by artists of both the 19th and 20th centuries that are very modestly priced, according to another New York

dealer, Simon Lowinsky, who notes a growing interest in work by such 19th-century French photographers as Edouard Denis Balzac, Louis Robert, Gustave Le Gray, and Felix Teynard, whose best photographs sell in the range of \$10,000 to \$75,000.

Vintage work from the 1920s and '30s, by such masters as Man Ray, Charles Sheeler, André Kertész, Edward Weston, and Edward Steichen, continue to command top prices on both the primary and secondary markets. Kertész's "Chez Mondrian," a circa-1926 photograph of the painter Piet Mondrian's Paris studio, sold privately last October to an American collector for \$250,000, the highest price ever paid for a photograph. The auction record is held by Tina Modotti's "Roses, Mexico," which sold for \$165,000 last April at Sotheby's New York.

DANA MICUCCI is a free-lance journalist based in New York.

Paris Promotes Camera Image

Official Shows Multiply but Market Suffers Birth Pangs

By Cynthia Guttman

PARIS — When Robert Doisneau, who celebrates his 80th birthday this year, photographed the "Kiss of the Hôtel de Ville" in 1950, little did he know that whatever the destiny of the enamored couple he had just captured, their kiss was to become one of the most enduring images of later decades, topping sales records and finding its way onto posters, sheets and pillowcases.

If Doisneau's world now evokes a poetic nostalgia captured on the eve of photography's explosion, his recent enshrining as a "best-seller" masks the multiple currents of photography in France.

The cradle of Daguerre and Niepce, two of photography's fathers, France cherishes its cultural place on the international photography map. With the world's largest photo agencies based in Paris, the French capital is a veritable melting pot of images and talents from around the world. France's photographic tradition, rooted in a literary and intellectual heritage, drew many exiles, including Robert Capa, Brassai, and André Kertész, who spent the last years of his life here and donated his entire oeuvre to France.

In 1980, Paris created the biennial "Mois de la Photo," which this year focuses on European historical and contemporary creative photography. Every second November, the event transforms the city into an international showcase for both promising young photographers and retrospectives of established ones. Similar events now exist in half a dozen cities around Europe and the United States.

The popularization drive continues. Next month, Minister of Culture Jack Lang, fond of taking the arts into the streets, is sponsoring "PhotoFolie," a three-day feast fit to make everyone feel like a photographer. Throwaway cameras have been distributed in certain school classes, while towns throughout France will mobilize around the slogan, "Photograph One Another."

GALLERIES, meanwhile, are experiencing the growth pangs of a market that is still relatively free of speculation. "The history of photography always has to be placed in the context of the history of art," said Michèle Chomette, owner of a gallery that opened in 1985. She promotes artists who, while favoring photography, explore other artistic expressions. "Otherwise, you have a medium that is treated completely apart and is marginalized on the creative front and on the market," said Chomette. "That is what happened during the first 10 years of the market in France, from 1975 to 1985," which witnessed the birth of photo galleries, magazines and museum collections. "It was good at the time because a manifesto had to be created to show the existence of photography," said Chomette. "Since 1980, it is becoming more outdated, and keeping photography on the periphery."

Gradually, as photography becomes part of the vocabulary used by a growing number of artists, it is enriching museum collections and finding its place alongside sculpture and painting. Although curators at the Jeu de Paume gallery in Paris do not consider her a photographer, Suzanne Lafont, who works with photographic portraits on large-scale formats, is currently the subject of an exhibition. Her works will be shown at the Museum of Modern Art in New York later this year.

Opposite photography's quest to integrate the canons of contemporary art, stand the purists, represented by figures such as Agathe Gaillard, who opened the first photo gallery in Paris in 1976 with an exhibition of Ralph Gibson. Today, her spacious gallery includes gents from Kertész and early Cartier-Bresson prints to Bill Brandt and Bernard Faucon.

But the cost of staging photo exhibitions and the small number of collectors have resulted in the disappearance of several galleries over the past years. "There is a sense of running out of breath," said Viviane Esders, a curator of photo exhibitions and former gallery owner.

David George, co-owner of Le Comptoir de la Photographie, a gallery near the Bastille, feels it is

"PhotoFolie" is a three-day feast fit to make everyone feel like a photographer.

"impossible" to survive in the current market. After closing for a year, the gallery is now testing a "production" system, by which the photographer will pay half the price of staging an exhibition.

To enhance Paris's place as a center for photography, the capital is financing the Maison Européenne de la Photographie. Situated in a majestic 1706 hotel particulier in the Marais district, it will house a collection of contemporary photographs beginning in 1990.

The starting point of the collection, being curated by Jean-Luc Montersso, founder and director of the "Mois de la Photo," will be Robert Frank's "The Americans."

"We intend to promote all forms of photography as an art form," said Simon Edwards, who is developing the collection with Montersso. This will include photo reportage, portraiture, landscape, fashion and conceptual photography. Visitors will have access to a collection of 10,000 photographs, along with a reference library, a data base of 24,000 photographers and a research and educational department. What is hoped to be Europe's most important permanent collection is scheduled to open in 1994.

CYNTHIA GUTTMAN, a free-lance writer based in Paris, is employed by the photo agency SIPA Press.

AUTOGRAPH AUCTION
Important historical manuscript and autograph sale May 9th, 1992.

- Letters from every President and First Lady
- Important documents from our Founding Fathers and World Leaders
- Select First Edition rare book collection

500+ lots; illustrated catalog only \$15.00
(800) 421-0754 / (310) 203-9855
Superior Galleries, Beverly Hills, California
Established 1958

auCTION sales
IN PARIS

DROUOT RICHELIEU
109, Rue Drouot, 75009 Paris - Tel.: (1) 48 00 20 20.

Tuesday, May 5
Room 5 at 2 p.m. CURIOUS LOUDMER, 45 rue La Fayette, 75009 Paris. Tel: (1) 48 78 99 89 Fax: (1) 48 78 99 89

Saturday, May 16 and Monday, May 18
Room 5 at 2 p.m. PERIOD AND MODERN JEWELRY LOUDMER. Tel: (1) 48 78 99 89

Sunday, May 17
Room 1 and 2 at 2 p.m. JUDAICA LOUDMER. Tel: (1) 48 78 99 89

Wednesday, May 20
Room 8 at 2 p.m. H. NTING ART, MILLON-ROBERT, 19, rue de la Grange-Baudière, 75009 Paris. Tel: (1) 48 00 99 44 Fax: (1) 48 00 99 44

Sunday, May 24
Room 5 and 6 at 2 p.m. IMPORTANT MODERN PAINTINGS, LOUDMER. Tel: (1) 48 78 99 89

Tuesday, May 26
Room 4 at 2 p.m. GREAT WINES AND SPIRITS LOUDMER. Tel: (1) 48 78 99 89

Room 5 at 2 p.m. ART NOUVEAU - ART DECO RIBEYRE-BARON 4 rue de Provence, 75009 Paris. Tel: (1) 42 36 00 77 Fax: (1) 42 36 22 92

Wednesday, May 27
Room 10 at 2 p.m. RUSSIAN PAINTINGS LOUDMER. Tel: (1) 48 78 99 89

Monday, June 1
Room 10 at 11 a.m. and at 2 p.m. PRINTS LOUDMER. Tel: (1) 48 78 99 89

Friday, June 5
Room 8 at 2 p.m. AUTOGRAPHS, RIBEYRE-BARON 4 rue de Provence, 75009 Paris. Tel: (1) 42 36 00 77 Fax: (1) 42 36 22 92

Tuesday, June 9 and Wednesday, June 10
Room 5 and 6 at 2 p.m. MODERN PAINTINGS June 10 at 2 p.m. PERIOD PAINTINGS AND FURNITURE AUTOGRAPHS MILLON-ROBERT, 19, rue de la Grange-Baudière, 75009 Paris. Tel: (1) 48 00 99 44 Fax: (1) 48 00 99 44

Wednesday, June 15
Room 4 at 2 p.m. BOOKS LOUDMER
Room 1 and 2 at 9 p.m. IMPORTANT ABSTRACT AND CONTEMPORARY PAINTINGS LOUDMER. Tel: (1) 48 78 99 89

Friday, June 19
Room 5 at 2 p.m. ROLEX COLLECTOR WATCHES AND BRACELETS, BOSCHER-STUBER-FROMENTIN, 5, rue d'Amboise, 75002 Paris. Tel: (1) 42 40 85 87 Fax: (1) 42 40 36 44

Room 12 at 2 p.m. BOOKS ON GASTRONOMY, LOUDMER. Tel: (1) 48 78 99 89

Thursday, June 25 and Friday, June 26
Room 1 at 2 p.m. PRIMITIVE ART LOUDMER. Tel: (1) 48 78 99 89

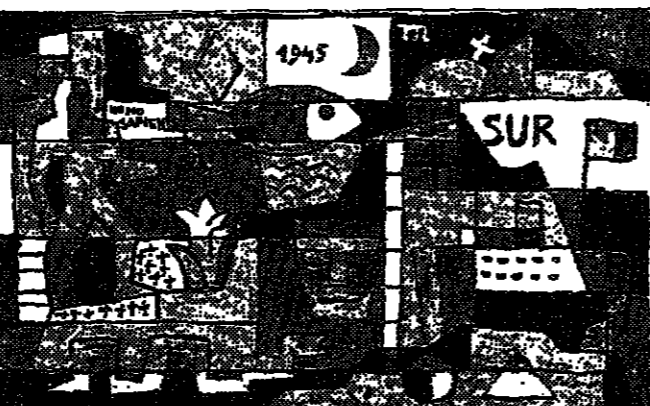
Monday, June 29
Room 14 at 2 p.m. ATELIER LEMMEN, LOUDMER, 45 rue La Fayette, 75009 Paris. Tel: (1) 48 78 99 89 Fax: (1) 48 78 99 89

DROUOT MONTAIGNE
15, avenue Montaigne, 75008 Paris - Tel.: 48 00 20 80.

Thursday, May 21
At 8 p.m. APPEL, ARMAN, BAI, BLAIS, CESAR, CHASSAC, DADO, DEGAS, DOKOUPIL, GAROUSTE, B. HUNT, LEROY, MITCHELL, NITSCH, PENCK, SOULAGES, TAKIS Bijoux en or de ARMAN, BOISROND, CESAR, PENALBA, VENDOIME. On view the same day from 11 a.m. to 6 p.m., Catalog 100 FF. Catherine CHARBONNEAUX, 194 rue du Faubourg St-Honoré, 75008 Paris. Tel: (1) 43 54 99 50 Fax: (1) 42 56 52 57

Modern & Contemporary Art

Tuesday, 28th April 1992 at 8 p.m. at the Ritz Hotel, Madrid, Spain.



Joaquín Torres-García *Homo Sapiens*, 1945. oil on cardboard, 34x85cm. Estimate: 25,000,000-35,000,000 pps. (5250,000-350,000)

On view at Plaza de la Independencia, 8, Madrid, Spain, from Wednesday 22nd to Monday 27th April, 11 a.m. to 9 p.m. (closed Sunday).

EDMUND PEEL & ASOCIADOS
MADRID: Plaza de la Independencia, 8, 28001 Madrid. Tel: (341) 522 29 02. Fax: (341) 521 44 82.
BARCELONA: Pasaje Domingo, 2, 08007 Barcelona. Tel: (343) 215 20 08 and (343) 215 21 49. Fax: (343) 216 07 92

Christian DELORME
AUCTIONEER
11, AVENUE DE WISSENE, 75008 PARIS. Tel: (1) 42 36 00 77 Fax: (1) 42 36 22 92

DROUOT RICHELIEU - ROOMS 5 & 6
Wednesday 13th May 1992, at 2.30 p.m.

TAILLEMAS & THEODORE COLLECTIONS
HAUTE EPOQUE
EXCEPTIONAL COLLECTION OF MAJOLICA, WORKS OF ART AND VERY FINE FURNISHINGS, TAPESTRIES

Experts: M. P. NICOLIER, M. E. BRUNET
Viewing: Tuesday 12th May from 11 a.m. to 6 p.m.
Wednesday 13th May from 11 a.m. to 12 noon.
Catalogue available from the auctioneer's office, FF100

VENICE: Spheroal case with very rare decoration on a carbon ground
Number of Majolica Paintings: 1400 FF 55 cm

Japanese Swords on the Auction Cutting Edge

Continued from page 7

blade as a young man around 1950 in his father's gallery — Inami is a third-generation dealer — long before it was bought by Compton. As is often the case with swords, the emotional factor clearly played a role. Private collectors from Japan bid heavily. One of them, bidding over the telephone, got a famous blade dated the eighth month of 1677 and signed

Inoue Shinkai for \$341,000, slightly over the high estimate. This was minutes after he had bought another sword forged around 1660 by Nakakawachi Kunisuke for only \$35,200, far below the low estimate set at \$50,000 plus premium. Clearly an avid and informed collector, the buyer got many of the finest lots that day.

Remarkably, however, the Japanese did not get the most expensive lot, a blade of the 13th century signed Ichi that went up to

JEAN-LOUIS PICARD
FINE ART AUCTIONEER IN PARIS
5, RUE DROUOT - 75009 PARIS - TEL: (331) 47 70 71 22 - FAX: (331) 47 70 71 44

The Henri M. Petiet Collection
VERY IMPORTANT MODERN PRINTS (Part two)
Drouot-Richelieu
Wednesday, May 20th, 1992
at 2.15 pm

Experts:
Mr Jean-Claude Romand
Galerie Sagot-Le-Garnec
23, rue de Tourny, 75006 Paris
Phone: (331) 45 26 43 58
Private viewing
12 May 5 through May 15
from 2 p.m. to 6 p.m.
and
Mlle Denise Rousseau
42, rue Lafayette, 75009 Paris
Phone: (331) 47 70 84 50
Private viewing
16 May 11 through May 15
from 2 p.m. to 6 p.m.

Public viewing: Drouot-Richelieu
Tuesday, May 19th
from 11 a.m. to 6 p.m.

DAUMIER (Honore)
Les gens de Justice -
Et. Delteil n° 115 - 1870
Lithographie
Epreuves sur Blau
Suite complète de 19 pièces

JEAN-LOUIS PICARD
FINE ART AUCTIONEER IN PARIS
5, RUE DROUOT - 75009 PARIS - TEL: (331) 47 70 71 22 - FAX: (331) 47 70 71 44

The Henri M. Petiet Collection
VERY IMPORTANT MODERN PRINTS (Part two)
Drouot-Richelieu
Wednesday, May 20th, 1992
at 2.15 pm

Experts:
Mr Jean-Claude Romand
Galerie Sagot-Le-Garnec
23, rue de Tourny, 75006 Paris
Phone: (331) 45 26 43 58
Private viewing
12 May 5 through May 15
from 2 p.m. to 6 p.m.
and
Mlle Denise Rousseau
42, rue Lafayette, 75009 Paris
Phone: (331) 47 70 84 50
Private viewing
16 May 11 through May 15
from 2 p.m. to 6 p.m.

Public viewing: Drouot-Richelieu
Tuesday, May 19th
from 11 a.m. to 6 p.m.

DAUMIER (Honore)
Les gens de Justice -
Et. Delteil n° 115 - 1870
Lithographie
Epreuves sur Blau
Suite complète de 19 pièces

DU 17 AVRIL AU 16 MAI 1992

OPERA
MONTECARLO (18-10 mai)
Célestes mandolines
par le Grand Opéra et le Chœur de la Bay
Jean-Claude MAINGORE

RECITALS
Alfred BRENDEL, piano (28 mai)
Isabelle PERLEMANN, violon (2 mai)
Anne-Cécile VON OTTER, contralto (5 mai)
Kurtis RICCARDELLI, soprano (11 mai)
Lazar BERMAN, piano (14 mai)

MUSIQUE DE CHAMBRE
A SEI VOCI (17 mai)
PHARMACIENNA QUARTET BEBIN (23 mai)
ORCHESTRE JOHANN STRAUSS D'AUTRICHE (16 mai)

MUSIQUE SYMPHONIQUE
ORCHESTRE PHARMACIENNA DE MONTE-CARLO
du James ARD / Yuri BASHMET duo (26 mai)
de Lawrence FOSTER / Itzhak PERLMAN (2 mai)

DANSE
LES BALLETTS DE MONTE-CARLO (18-19-20 mai)
3 créations nouvelles

JEUNES SOLISTES
Philippe CASARD, piano (18 mai)
Gilles BRÉZECQ, organiste (25 mai)
Emanuel PINKAS, flûte (2 mai)
Nadine DESSAY, soprano (16 mai)

FESTIVAL DU FILM MUSICAL
Genève le Sporting (17 mai) (6 mai)

SCULPTURE
RETROSPECTIVE FERNANDO BOTERO
120 œuvres - 30 septembre
organisée par la Galerie
Morris de la de New York

RENSEIGNEMENTS: 93 15 65 05 LOCATION: 93 52 77 48

UN REGARD EXIGEANT SUR LES ŒUVRES D'ART

LA REAUE DES MUSÉES DE FRANCE

Très richement illustrée en couleurs et en noir, la REVUE DU LOUVRE souhaite donner des musées français une image vivante et diversifiée, correspondant à leur dynamisme actuel.

Tarifs abonnements pour 1992 (six numéros):
France 450 F
Étranger 550 F

Pour tous renseignements:
Centre de distribution de la RMN
131, allée du 12-Fevrier-1984
77186 Noisiel. Tel: 60 05 03 14

Arts and Antiques / A Special Report

In Contemporary Art Sales, Abundance Makes the Difference

By Souren Melikian

LONDON — Slowly but inexorably, Impressionism and early 20th-century masters are beating a retreat in the salesroom, leaving post-World War II art to fill the vacuum. It is not that interest in Impressionism, Pointillism, the Nabis, the Fauves or the early Cubists has waned, quite the contrary. But there just isn't much left.

hand, sold easily, sometimes quite well. An exquisite small sketch of two women washing their laundry in the river Touques, painted on board by Boudin in the early 1880s, made £22,000, a good price for a small piece only 17.5 by 25 centimeters (6 7/8 by 9 7/8 inches) done in fairly dark colors. A banal painting of a sandy country lane winding under trees with a woman carrying a bucket in the distance, typical of Armand Guillaumin at his least inspired in the 1880s, went up to £35,000. This is 50 percent below what it might have fetched at the height of the speculative wave of two years ago.

lack of eagerness to buy good works. A small exquisite pastel study for a seascape by Boudin went up to £9,900 and a painting by the little-known Dominique Paul Peyronnet, a naïf artist active between the two world wars, which Sotheby's expert had given a £1,000-to-£1,500 estimate, made more than 50 times that estimate as it ended up at £89,100. In its own way, Sotheby's sale of Impressionist and Modern art summed up the present market. Mutton dressed as lamb sells for the price of mutton only. But the cash is there, ready to pounce on anything good.

THE MIDDLE range, supposed to be neglected when the market is difficult, sailed through gracefully, carried by a tide of private bidding. For example, a portrait in lilac on black, "Brigitte Bardot-I" by Martial Rayse, was the object of competition between two collectors, one Greek, the other French. The Greek's victory cost him £52,000.

Interestingly, dealers allowed themselves to be drawn into the bidding. Bernard Cats of Brussels beat back a Milan colleague and got an unusual Fontana of 1965, with cut-out brown trees rising from the frame and standing out against the red ground, for £60,500, less than the low estimate. The price is probably one-third of what he would have had to pay when Swedish speculative-minded collectors of recent date were buying Fontanas. Similarly, a solid blue Yves Klein would have made four times the £121,000 it went for on March 26. Awareness that the end of feverish speculation of the era when "overpay now, go bankrupt tomorrow" was the motto, has once again given the market its spontaneous fluidity. This is a powerful incentive to dealers, who are always quick to seize bargains that may not be available in a year or two.



Portrait by Hans Holbein the Younger.

Old Masters: Rescuing Britain's Family Silver

International Herald Tribune

LONDON — The historic sale of Old Master paintings conducted at Christie's on April 15 by its deputy chairman, Noel Annesley, is one of those rare events that send multiple messages, all equally significant.

Those concerned with cultural history and national heritage will remember it as the auction in which two works deemed of cardinal importance to Britain, even though neither is from the hand of a Briton, were rescued at the eleventh hour. One is a portrait of extraordinary beauty by Hans Holbein the Younger, which was consigned to Christie's by the Marquess of Cholmondeley, whose ancestor bought it at a London auction in 1761. The identity of the sitter is unknown as is the date of execution but, Christie's tells us, "the present picture is unanimously regarded as a work executed by Holbein during his first stay in England [1526-1528]."

An intensive media campaign condensed on the theme of its Englishness, the only one that would leave its mark on the public mind, brought the bacon home. The Treasury allowed the marquess to receive from the National Gallery a tax-exempt £10 million (£17.4 million). For the marquess to retain this amount after tax, the Holbein would have had to go for £27.5 million at the auction. This, Christie's felt, was too much of a gamble. The management advised their client to take the Treasury offer.

a picture postcard, which happens to make it a document of major importance to English architectural history — the Old Horse Guards was demolished a few months later. Christie's thought it was worth £8 million to £10 million. The National Gallery, again, saw it as a must but did not have the funds. This time it was a popular composer, Andrew Lloyd Webber, known for his interest in Pre-Raphaelite painting, who stepped in. He bought it for £10.12 million, via his art adviser David Mason, owner of MacConnell Mason & Son gallery, and let it be known that he did not want the painting to leave Britain.

The fate of the two pictures suggests that England as a whole is now taking a new look at what is seen as the family silver, artistically speaking.

Others will remember the sale as the moment when aesthetics became once again a major consideration in the market versus label. Rembrandt's "Daniel and Cyrus Before the Idol of Bel," small, melodramatic and curiously unimpressive in its handling of Cyrus, stopped dead at £5 million, Christie's having decided it was worth £7 million to £8 million. Through-out the sale, mediocrities overpriced on the basis of name went down the drain. "Silvio and Linco With the Wounded Dorinda," signed P. v. Lint, may indeed be by Pieter van Lint, a Dutch petit-maitre, but no one wanted it, not even within the estimated £30,000 to £50,000 price bracket.

By contrast, not one good picture was left out in the cold. The "Christ on the Cross" by Hendrick Goltzius, whose paintings rarely turn up in the market, soared to £341,000. A beautiful portrait of a woman by Cranach the Elder, although seen at auction in New York as recently as January 1988, easily soared to £506,000. Fragonard's "The Rest on the Flight into Egypt" went up to £187,000, solely on its pictorial merits and despite the fact that a religious subject is the last picture one would expect to be well received with Fragonard's name attached to it.

Souren Melikian

What Museums Do When Cash Runs Out

Continued from page 7

figures on red ground dating from about 540 B.C. and ranking among the finest in Western collections. He decided they would be a suitable loan to the museum. One, attributed to the painter Lysipides, is astounding for the calligraphic mastery with which horses and draped figures alike are handled. Last year, the loan became a permanent donation.

The gesture was replicated that same month of December 1991 regarding a Minoan pottery vase with a spout painted in brown on white with a remarkable free brush. The piece, which dates from the 15th century B.C., forms a wonderful contrast with another Minoan vase dug up in Egypt, which found its way to the museum decades ago. This one has a more compact, very precise, decoration. Both are outstanding rarities. Together they sum up the diverging trends that could exist in ancient civilizations as they do in our own time. Thoughts of this kind may have crossed the mind of Mr. and Mrs. Thomas Brush, who let the museum have theirs on extended loan in 1972. The idea of breaking up this neat, conserved deposit may have been too much. Since December, the Minoan vase with pouring spout painted in brick touches has become part of the long string of donations made over the years by the Brushes.

To some, like them or like Alistair B. Martin,

who has been shedding his bounties upon the museum for two decades, donating is habit-forming even if in most cases Martin insists upon anonymity. Infrequently, he has, in effect, revealed his identity by making the gift in the name of the "Gustavel Collection," which is known to be his. One such case concerns one of the most impressive carved heads from 13th-century Japan.

Donations prove that no curator should ever sink into total despair at having missed an object at auction.

At rare intervals, new donors decide to start with a bang. This happened twice last year. The French artist Armand Arman is renowned among primitive art insiders for the collection he has been assembling for years with a highly discerning eye. In June, he and his wife, Corine, decided to part with a number of acquisitions in favor of the Brooklyn Museum. A Punu mask from Gabon with closed laughing lips would not be out of place in the late André Malraux's "The Imaginary Museum of World

Sculpture." Another outstanding gift was a 46-centimeter standing figure of two women carved out of hardwood from the Tonga Islands, is one of a group of perhaps five or six worldwide. The body betrays a "primitive" disregard for proportion and a tendency toward geometricism that would delight a Cubist, while the head is done with great skill. The deep-set almond eyes in the round face with fleshy lips parting slightly have a haunting quality. The statue came up at the Hotel Drouot in Paris in June 1988 at an auction conducted by Guy Loudmer and was sold to Arman for 145,994 francs. Its donation to the museum proves that no curator should ever sink into total despair at having missed an object at auction.

Loyalty to the museum seems to retain its hold on its one-time allies for decades. Mary Dorward, who had become head librarian of the museum by 1958 when she left the museum, just bequeathed it a \$1 million endowment for art acquisitions. No wonder an institution that can inspire such lasting fidelity is such a tough fighter. It deserves better than its current treatment by the city — even if this stimulated it to triple its acquisitions in value terms.

SOUREN MELIKIAN is art editor of the International Herald Tribune.

THACKERAY GALLERY. Watercolours. JAMES GUNNELL. 29 April - 15 May. 18 Thackeray St, London W6 8ET. Tel: 071-937 5883. Open Tue - Sat.

GUY LOUDMER FINE ARTS AUCTIONEER. PARIS HOTEL DROUOT - Rooms 5 and 6. IMPORTANT MODERN PAINTINGS. Sunday May 24, 1992 at 2.30 p.m. From the inheritance of Madame G. Compoin, the collection of Monsieur G. Fardel, and various other collectors.

LEMPERTZ. May Auctions 1992. May 21st - Auction 676. PAINTINGS FROM THE 15TH - 19TH CENTURY. May 22nd - 23rd - Auction 677. WORKS OF ART.

Me J. COUSIN Auctioneers. Tel: 32 54 30 04. Fax: 32 54 46 95. 27700 LES ANDELYS. Sunday 24 May, FRENCH COLLECTION. Grand and Young American and French painters.

COLLECTORS BUYING AND SELLING. All impressionists, Chagall, Picasso and other quality paintings. Oil, gouache, watercolor etc. Tel: +46-40 30 30 72. Fax: +46-40 30 20 78.

American, British and European Contemporary Art. GIMPEL FILS. 30 Davies Street, London W1. Tel: 071-493 2488. Fax: 071-629 5732.

RAFAEL VALLS LIMITED. 11 Duke Street, St. James's London, SW1Y 6BN. Tel: 071-930 1144 Fax: 071-976 1996. OLD MASTER PAINTINGS. Mon-Fri: 10-6, Sat: Appl. only.

ABSOLUTE AUCTION. PLANES, TRAINS AND AUTOMOBILES! THE LARGEST PRIVATE COLLECTION OF ARCHITECTURAL ANTIQUES IN THE WORLD! JUNE 12, 13 & 14, 1992 IN LAS VEGAS, NEVADA. ROBERT J. S. SNOW formerly of "CHURCH STREET STATION," Orlando, Florida & "MAIN STREET STATION," Las Vegas, Nevada. IS LIQUIDATING HIS 25-YEAR ACCUMULATION OF ARCHITECTURAL ANTIQUES, FURNITURE, DECORATIVE ARTIFACTS, CLASSIC BIPLANES, PRIVATE R.R. CARS AND COLLECTIBLE AUTOMOBILES IN A COURT-ORDERED BANKRUPTCY SALE.

ENJOY A Cork Street Art Gallery. no premium low rent nineteen year lease. Kasmin 22 Cork Street, London W1. Fax: (0)71 287 0832.

GALLERY 44. hassenstr. 60, d-4044 kaarst 2. Tel.: 02131-647 23, Fax: 66 78 19. ROTRAUT May 8 - Sept. 18, 1992. Chicago Art Fair May 14 - May 19, 1992.

ARMAND GUILLAUMIN 1841-1927. Exhibition held until September 1992. PETIT PALAIS Modern Art Museum GENEVA. Neige à Ivry, 1873.

THE LEFEVRE GALLERY XIX AND XX CENTURY PAINTINGS. ALEX REID & LEFEVRE LTD. 30 BRUTON STREET LONDON W1X 8JD. Monday - Friday 10 a.m. - 5 p.m. Telephone: 071-493 2107. Fax: 071-499 9088.

COLNAGHI. The Directors of P & D Colnaghi & Co Ltd. are pleased to announce the opening of a new Gallery on 7th May 1992 at 108/112, Rue du Faubourg St-Honoré 75008 PARIS. Telephone: 1-42669145 Facsimile: 1-42666868. Directeur Général: Christophe Lázár.

GALERIA JORGE MARA. Seeking XIX-XX Century works by spanish artists and spanish subjects by foreign artists. JORGE MARA, AV. 15 28001 MADRID. Phone: 520707 Fax: 520201.

Barradas. 1890-1929. AN HOMAGE. GALERIA JORGE MARA. www.galeriajorge.com Tel: 071 493 2107 Fax: 071 499 9088.

PRIVATE ART DEALERS ASSOCIATION. U.S. Directory Available Free. Please write: PADA, 605 Third Avenue, Suite 1501, New York, NY 10158.

Roswitha Hafmann Modern Art. Rötistr. 28, 8030 Zurich. Tel.: (41 + 1) 251 24 35. Paul Jenkins.

RICHARD WOLFFERS AUCTIONS, INC. PUBLIC AUCTION No. 170. JUNE 18, 1992 IN SAN FRANCISCO. FEATURING AN IMPORTANT AND INTERESTING SELECTION OF ROCK AND ROLL, HISTORICAL, AND BOXING MEMORABILIA. The Beatles - "Hey Jude", 1970. Album Cover signed by John, Paul, George, and Ringo. The Doors - Vintage Gold Record Award for "Morrison Hotel", Presented to "The Doors". Call, write or fax - \$5.00 per catalog. Richard Wolffers Auctions Inc. 133 Kearny Street, Suite 400 San Francisco, California 94108. Phone 415-781-5127. Fax 415-956-0483. California Auction License #C2186.

Alberto GIACOMETTI, 1917. Le nez, bronze, h: 81.5 cm/32 inches. THOMAS AMMANN FINE ART AG ZURICH. IMPRESSIONIST & 20TH CENTURY MASTERS. RISTELBERGSTRASSE 97 CH-8040 ZÜRICH TEL. 0041 22 200 11 FAX 22 200 12.

Lorenzo, a Paragon of Patrons

By Susan Lumsden

FLORENCE — Lorenzo de' Medici, two years older than Christopher Columbus, symbolizes the culmination of the Renaissance, while the navigator's voyages mark the beginning of modern times. The 500th anniversary of the "discovery" of America is also the quinqucentenary of the death of Lorenzo II Magnifico (1449-92), which is being marked in Florence by a number of exhibitions.

A poet and consummate diplomat to whom Machiavelli dedicated "The Prince," Lorenzo established a fragile peace between the warring republics of the peninsula and divided the hungrier invaders beyond. The pope acted on his advice, artists on his suggestions.

Such were the expectations for the Medici heir that he was idealized as the young prince on a white horse in Benozzo Gozzoli's "Procession of the Magi," now on view for the Laurentian celebrations in the Palazzo Medici, where Lorenzo lived with his wife, Clarice Orsini, and their seven children.

The latest of Florence's monumental restorations, the Gozzoli fresco (1459-1463) is outstanding for its intensity of color, heightened by most of the original gold leaf and lapis lazuli, which was well-preserved throughout the centuries in a dry, windowless microclimate. Portrayed as the Biblical wisemen en route to Bethlehem, the Medici wind their way in a stately procession apparently to the family's ancestral lands at Cafaggiolo, north in the Mugello. Lorenzo is now identified as the round-faced lad with the ski-jump nose and a red cap.

Even the bedroom of II Magnifico has been reconstructed for the exhibition of "Architecture in the Time of Lorenzo" in Brunelleschi's Foundling Hospital, now a museum. Opposite Lorenzo's simple canopied bed is the bench on which he received the Florentine public to hear their problems.

What remains of these passionate times, of course, is the art, in particular "Florentine Drawing in the Time of Lorenzo" at the Uffizi Gallery's Cabinet of Prints and Drawings. The repository of the largest collection of 15th-century drawings in the world, the Uffizi has borrowed more from Windsor

Castle, the Louvre and other major museums for display until July 5. They include Lorenzo's favorite, Antonio Pollaiuolo, Filippino Lippi, Sandro Botticelli, and Michelangelo, whose young genius Lorenzo encouraged.

Michelangelo lived for four years in the Palazzo Medici and apprenticed nearby in the sculpture garden that Lorenzo had established for young artists.

"Lorenzo was a patron of contemporary art," says Amon Barzel, 57, the Israeli-born director of Italy's first museum of contemporary art, opened in Prato only in 1988. "Five hundred years ago, Florence was the center of contemporary art in the Western world. The Medici didn't collect old art; they collected young and quite unknown artists like Michelangelo and Botticelli." Barzel was recently appointed director of Florence's first museum of contemporary art, scheduled to open in 1995. His aim is to "return Florence to the centrality of creation."

THE question is whether an art patron as magnificent as Lorenzo is possible in Italy today. Camillo d'Affitto, 42, owner of a leading Florentine art gallery currently showing the Chinese artist Chen Zhen, is not optimistic.

"This ideal of art as a renewal of the language of society is absolutely nonexistent in Italy," he said. "It might find a model in the French minister of culture, Jack Lang. Here there are only a few private collectors. The sad thing is that Italy, with 40 percent of the world's artistic heritage, has not produced a single leader who understands that art is our petroleum."

Of the private collectors of contemporary art, the weekly Milano Finanza recently listed Annabale Bertinieri, Giorgio Franchetti, Carlo Monzino and Giuliano Gori. A textile merchant like the early Medici, Gori has created a large sculpture park on his Tuscan estate near Fistoia for international



Young Lorenzo de' Medici in a Benozzo Gozzoli fresco.

artists to live and work. Gori's idea is that the best art is always created for a specific place and person. It is why public museums are often failures, he says, being catches of art commissioned for other people, places and times.

Barzel's nomination for the leading patron of art in Italy today is Count Giuseppe Panza di Biumo, whose recent acquisitions are now on exhibition at the Museo Cantonale di Lugano in Switzerland until July. Ironically, Panza tried to set up a public museum of contemporary art in the stables of Lorenzo's favorite villa at Pogio a Caiano west of Florence. His efforts were thwarted, he says, because the art was not Italian.

"For the past 40 years, or ever

since Jackson Pollock, the best contemporary art has been American," said Panza, 69, in a telephone interview. "It's a reflection of a more vital society. Culture is now global but here in Italy local interests and pressures are paramount. Even Rome and Venice declined my initiatives in setting up contemporary art museums because I was not supporting Italian artists."

As a result, Panza sold part of his collection to the Los Angeles Museum of Contemporary Art in 1984. His collection of Minimalist art was sold to the Guggenheim in New York in 1990.

Meanwhile, Florence celebrates the magnificence of Lorenzo in 16 different exhibitions this spring, summer and fall. His writings, mainly serious verse and some bawdy carnival songs, are published in new or facsimile editions.

L.A. Art Comes With Warning

New Curator's First Show Raises Storm (and Attendance)

By Diana RICO

LOS ANGELES — The hottest show in town these days bears a warning sign out front: "This exhibition contains imagery and language that some people may find offensive." Like the sleazy tabloid TV programs that are its not-so-distant cousin, the Museum of Contemporary Art's "Helter Skelter: L.A. Art in the '90s," a survey of brazen, angst-filled art by 16 contemporary artists, loudly trumpets its controversial nature.

From Charles Ray's anatomically correct nude mannequins and Mike Kelly's conference rooms decorated with crude, real-life office jokes, to Manuel Ocampo's Spanish colonial-style paintings filled with Ku Klux Klanmen and swastikas, "Helter Skelter" puts to rest the stereotype of Los Angeles art as being slick and cool or sunny and pretty.

Focusing on artists whose paintings, sculptures, and installations confrontationally depict such difficult subjects as sexual perversity, alienation, and death, "Helter Skelter" is turning out to be one of MOCA's blockbusters.

According to the chief curator Paul Schimmel, who conceived and organized the show, attendance at MOCA's Temporary Contemporary space, where the exhibition is housed until April 26, usually averages 1,500 to 2,000 visitors a week; these days, it is up to that amount or more on Saturdays, Sundays and Thursdays (when the museum has extended evening hours).

"I have been flabbergasted by the sheer volume of response," says Schimmel.

"Helter Skelter" has been closely watched not only because of its subject matter but because it is the first organized by MOCA by the 38-year-old Schimmel, who joined the museum as chief curator after eight years at the helm of the Newport Harbor Art Museum in Orange County. There, he built a solid reputation by alternating between revisionist exhibitions of American postwar art and exhibitions devoted to contemporary California artists, many of whom had never shown in a museum before.

EIGHT-YEAR-OLD MOCA is still a young institution, and Schimmel will have a strong hand in determining the direction of its programming. Thus, "Helter Skelter" is being seen as a statement of the position MOCA intends to take in the art world.

"I — and I think artists in the community — felt that MOCA should be much more involved in helping define the culture we are involved in," says Schimmel. "I wanted to try to do something bold and risky in that I was going to say, 'This is a central aspect of what's happening in L.A.'"

"Helter Skelter" has drawn fire from many fronts, beginning with its controversial title, a reference to a Beatles' lyric that mass murderer Charlie Manson used as a violent call to arms in the 1960s. In the L.A. Weekly, critic Ralph Rugoff called the title "a wishfully outrageous attempt at antagonism."

IN A HUGE, MALL-LIKE HALL AS WE WRITE OUR NAME TO DAY, FOR EXAMPLE, IN THE VISITOR'S BOOK.



THE SEWERS UNDER THE EARTH. MOCA entry by Raymond Pettibon.

Other critics have faulted the show for the unrepresentativeness of the work and for the inclusion of Zap Comix, co-founder Robert Williams' sexist but red-hot-and-audience-centerfold paintings. On opening night, an activist group passed out fliers pointing out the underrepresentation of women, blacks, and gays in the show.

Schimmel admits that the latter complaint is valid. "I was specifically looking for women and artists of color because I felt it was essential to include them. On the other hand, my first duty as curator is to make a show with a core to it. Did I succeed to the extent I thought I would? No." Of the accusation of "bad-boy posturing," he says, "You know the shows I have done at Newport. If it's posturing, it's a lifetime commitment. My record stands. I'm going to continue to do revisionist postwar historical exhibitions and shows about contemporary art. And I didn't invent the notion of 'bad boy,' which includes women, by the way. It's out there and it's being discussed internationally. Like a reporter says, 'I'm just repeating the news, ma'am.'"

DIANA RICO is a journalist based in Los Angeles.

IRENA HOCHMAN
Fine Art Ltd.
22 East 72nd St. N.Y. N.Y. 10021
Tel: 212-772-2227, Fax: 212-772-2222

Earth
Center for Art and the Earth
532 La Guardia Pl. POB 527 New York 10012
Phone (212) 305-0303 Fax (212) 979-7482

Joan Mitchell
MAY 2 TO JUNE 6

Ellsworth Kelly
JUNE 11 TO JULY 11

Robert Wilson
JULY 18 TO AUGUST 5

Richmond Burton
JULY 18 TO AUGUST 5

John Chamberlain
AUGUST 8 TO SEPTEMBER 2

Laura Carpenter Fine Art
309 READ STREET, SANTA FE, NEW MEXICO 87501
TEL: 505 986-9090 FAX: 505 986-8444

Special Exhibition
June 2 - June 27, 1992

Chinese
Archaic Bronzes,
Sculpture and
Works of Art

Catalogue available, \$35

J. J. LALLY & Co.
ORIENTAL ART
41 East 57 Street, New York, NY 10022
Tel: (212) 371-3380 Fax: (212) 993-4699

The Japan Society Gallery presents
Japanese Folk Art:
A Triumph of Simplicity
May 14 to July 2, 1992
Tuesday-Sunday, 11 AM - 5 PM
Japan Society 333 E. 47th St.
New York, NY 10017
212-852-1155

This exhibition is made possible with funds from the Lila Acheson Wallace Japan Society Fund, established at Community Funds, Inc. by the co-founder of Reader's Digest, The Japan Foundation Center for Global Partnership, and the Friends of Japan Society Gallery.

JAPAN SOCIETY

FERNANDO BOTERO
Couple at a Picnic, detail, 1988, pencil on paper, 14 x 19 1/2 inches, signed

We are seeking to purchase works by Botero. Our inventory includes major works on paper by Picasso.

JOAN MICHELMAN
By Appointment Only
Mon. - Fri.: (212) 535-4524 Sat. & Sun.: (413) 528-4382
Telefax: (212) 517-6672

GVDEA GALLERY
TOURNAI, BELGIUM
Paris 22 rue Bonaparte 75006

ROME
MESOPOTAMIA
EGYPT
GREECE

We sell and buy worldwide. Suppliers to major museums.
Telephone: 33 (1) 46.33.78.62 (11 a.m. - 7 p.m.)
Fax: 33 (1) 46.33.42.30

ROBERT DELFORD BROWN

IKONS

OF THE
FIRST NATIONAL CHURCH
OF THE
EXQUISITE PANIC, INC.

ORGANIZED & CURATED BY EDITIONS FRANCESCO CONZ
AT
FONDAZIONE MUDIMA
VIA TADINO, 26
20124 MILAN, ITALY
MAY 26 TO JUNE 6
CATALOG IS AVAILABLE
tel. (02) 29409633/ fax (02) 29401455

ART ASIA
HONG KONG
November 18 - 22, 1992
Hong Kong Convention Centre

FAIR INFORMATION
Tel: 310 820 0498
Fax: 310 820 5426

TRAVEL INFORMATION
Tel: 310 552 0977
Fax: 310 277 1537

Charles LAVAL
a Major Post-Modern
Museum quality painting
is available
Fax: France (33) 1 42 85 55 20

Exceptional Paintings

VLAMINCK.....d/1910
LEBASQUE.....d/1895
MASSON.....1924
R. DELAUNAY.....1928
MAX ERNST.....1927
VAN DONGEN.....1906
LEGER.....1937
H. ROUSSEAU.....1909
A. GIAGOMEITL.....(Bronze)
HARTUNG.....1962

GALERIE ETERSO
CANNES (F)
Tel: (33) 93 99 20 63
Fax: (33) 93 99 76 82

R. LALIQUE GLASS
Offering the largest selection in the world
D.J.L. TRADING INTERNATIONAL
1675 York Avenue, New York, NY 10128
Phone: (212) 634-7832 - Fax: (212) 634-1234

136, Faubourg Saint-Honoré, 75008 Paris
CAILLEUX
Old Master Paintings & Drawings
Tel: (1) 43.59.25.24 - Fax: (1) 42.25.95.11

A rare polychrome stoneware figure of a Lohan China Southern Sung Dynasty (1128-1279 AD.) 17 1/2 inches high (43.7 cm)

THE CHINESE PORCELAIN COMPANY
822 Madison Avenue
New York, NY 10021
Tel: 212/794 4881 - Fax: 212/794 4896

Ornate porcelain wares of art and small bottles

ART CHICAGO
International Gallery Invitational
May 14 - 18, 1992
Merchandise Mart ExpoCenter

THE FINE ART FAIR
OF THE
NINETIES

Phone: (312) 427-9000 Fax: (312) 427-1537
Phone: (312) 427-9000 Fax: (312) 427-1537

Czech Artists Mull Cost of Free Market

Continued from page 7

by the Russians, has since been contracted to produce part-time in Switzerland.

"There's a creative crisis in Prague right now," says Olivier Poivre d'Arvor, director of the Institut Français, which is the most successful of the various foreign cultural institutions in Czechoslovakia.

Some observers think that a clue to the future of the visual arts in Czechoslovakia is offered by looking at the work of expatriated Czech artists, since they are accustomed to the West and to personal freedom. "It's a tender time now since so many artists are making their maiden voyages to the West," says Helma, "and they're all so innocent. They idealize the

West, and see Paris as their mecca and America as the great romantic symbol. Then, too, everyone's heard of Andy Warhol [whose parents were Czechoslovak], and so they're interested in Pop Art."

Warhol's success, such as it is, came from the fact that he understood the myths and symbols of American society so well," Moucha observes. "This is what Pop Art was about and why it was absolutely nothing to do with Czechoslovakia today — they're trying to get rich enough to produce this kind of art."

One of the country's best-known painters, Moucha has lived in France since he was exiled for authoring an anti-Communist pamphlet. He arrived in Paris in 1968, at the height of the student demonstrations.

Speaking of the way in which expatriation may have most affected him, Moucha says of Czechoslovakia, "There was no tradition of abstract art in the country. This was something I was most importantly exposed to in the West."

Other Czech artists who stand out today include photographer Jindrich Streit, sculptors Zdenek Palor and Karel Malich and painter Václav Bostik.

Of this group, Moucha says, "They're the best because their art exists on a plane that's beyond the whole idea of communist vs. democratic or socialist vs. capitalist. They work on the universal level."

ALEXANDER LORRANO is a journalist based in Paris.

YANG HIECHANG
encres de Chine

GALERIE JEANNE BUCHER
75008 Paris, Tel: 42 26 22 32

DUBUFFET - BISSIERE
VIEIRA DA SILVA
STAEL - SZENES
NALLARD - MOSER
WAKAKO - LECHNER
POLI - CECCARELLI
SINGER - AMADO
AGUAYO - J-P PHILIPPE

RENOU & POYET
Paintings and Drawings
164, Faubourg Saint-Honoré, 75008 PARIS
Tel: 43 59 35 95 Fax: 42 56 24 29

WALLY FINDLAY
Galleries International: New York - Chicago - Palm Beach - Paris
2, avenue Maignan - 48, avenue Gabriel, 75008 Paris. Tel: (331) 42.25.78.74
Tuesday - Saturday 10 a.m. to 7 p.m. - 2:30 to 7 p.m.

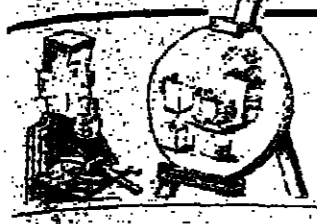
GUILLEMARD
"HOTELS"
From 9th April to 7th May

Manufacture in Aubusson, France
Galerie robert four
CARPETS & TAPESTRIES

Antique & Contemporary weavings from:
Folon - Gougin - Kae - Kato - Looze - Jurgis - Weigman - Wood - Pilon - Monet - Noble - Nini Arker - Picasso - Rousseau - Ser - Tard - Vassier

Purchase & Sale
Restoration - Expertise
Estimations, Transport & Insurance free

28, rue Bonaparte, 75006 Paris, Tel: 42 33 42 33
Tel: 212 958 - Fax: 33 1 42 22 33 00



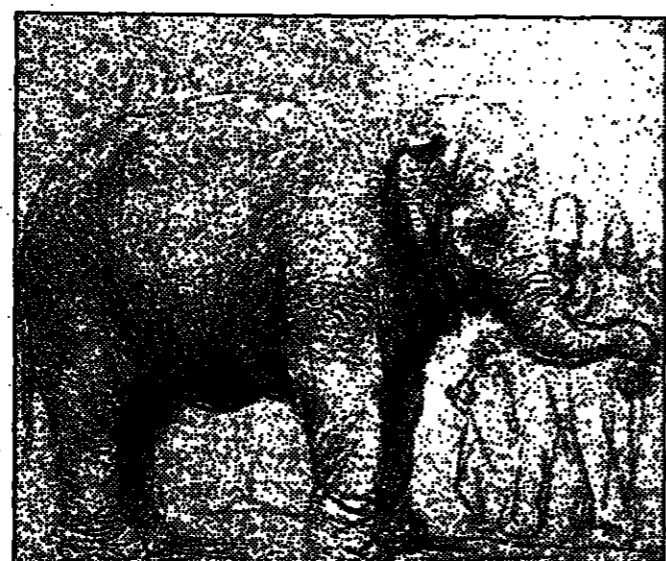
'Farm Buildings Near a Brook and a High Embankment' from the exhibition and, below, Rembrandt's 'Elephant.'

What Is It That Makes a Rembrandt?

LONDON—What does it take to make a Rembrandt? After seeing "Drawings by Rembrandt and His Circle in the British Museum," on view at the museum until Aug. 4, many may feel ecstatic about the art that raises the question, but few will have the answer. Perhaps there isn't one.

SOUREN MELKIAN

Kisch, assistant keeper in the department of prints and drawings, who put together the most challenging and by far the newest recent Rembrandt shows. He has produced in effect the first catalogue raisonné of the museum's drawings that will remain for years the reference book.



Royalton-Kisch writes that "it poses considerable problems with regard to its iconography, date and even the authentication of the attribution." The three accepted drawings with which it compares mostly lack any persuasive supporting evidence, like the present sheet, they stand as Rembrandt's work entirely on the basis of their apparent quality.

with brown wash. In the 1950s, the landscape was suddenly questioned by Benesch and was never reinstated to Rembrandt-hood. The label in the show limply states "School of Rembrandt." Given the admission that we haven't got a clue as to the author, there is nothing to prove, in principle, that it is dependent on Rembrandt.

More revision may have to be contemplated in the future concerning drawings temporarily sheltered under hazy labels. Abraham Furnarius (ca. 1628-1654) is not exactly a clear-cut case. He may have been a pupil of Rembrandt's in the 1640s. A splendid "Landscape With Hills Crossed by a River" is the label tersely states "a characteristic example of a large series of drawings that is attributed to Furnarius on the basis of old inscriptions on a few surviving sheets."

THE elephant with its roguish eye under a quizzically raised eyebrow is singularly more powerful. So are the three silhouettes of the same old man done about 1640 or a "Landscape with Cottages, Meadows and a Distant Windmill" — none of these sketches bearing any clear relationship to the previous one.

What of the hard core of Rembrandt's drawings, those for which the exhaustive bibliographical references collected by Royalton-Kisch begin with the reassuring mention "always as Rembrandt?" These are not the majority among

A Mediocre Excuse For a Leonardo Show

His Link With Venice Is Tenuous, at Best

By Roderick Conway Morris

VENICE—Leonardo is clearly reckoned to be a sure-fire crowd puller — but many who come to the Palazzo Grassi on the Grand Canal to see "Leonardo & Venice" will, I fear, go away both baffled and disappointed.

ACTUALLY, they ended up here only in 1822, after the death of Giuseppe Bossi, the artist-connoisseur who collected them from various sources, and used them primarily as teaching aids.

As for the thesis that Leonardo had a major impact on his Venetian contemporaries, despite the brevity of his stay and the lack of documentary and pictorial evidence to support it: This is something of an old chestnut, based on a claim made by the invaluable, but not infallible, Vasari, writing nearly half a century later, that Giorgione (1478-1510) was much struck by Leonardo's works and learned to paint in the "modern style" from them.

The explanatory panels on the walls of each section (in Italian and English), are often obfuscatory and contorted. The catalogue, the work of



Leonardo's "Profile of an Old Man and Four Caricatures" (detail).

more than a dozen contributors, is better: far more interesting in parts, though there are still too many weaselly phrases — of the "it seems not by chance" — may have contributed in some way. "It is difficult to imagine that he did not" and "assuming he painted the picture or was responsible for the design" variety — not to set the alarm bells ringing.

Clear thinking and unpretentious presentation can convey even a complex and multifaceted thesis to a wider public — as was shown only last year by the "Before Leonardo" show in Siena. Future versions of the show are being planned. That exhibition, based on innovative, imaginative and scholarly research, portrayed Leonardo as a man who dreamed the same dreams as his contemporaries and continually drew inspiration from them: It amplified and enriched our understanding of his world and his works, without belittling his unique contributions to art and science.

And here lies the central flaw at the heart of "Leonardo & Venice." Regarding Leonardo as some superhuman, extraterrestrial being, who was entirely original and self-generated, influencing others but learning nothing from them, is bound to be misleading.

At least two of catalogue's contributors note that Tuscan and Venetian art of this period seem to have influenced each other, and one rightly points out that an artist of Giovanni Bellini's class was not in need of painting lessons, even from Leonardo (who indeed may have learned much from Bellini).

There are some good things in this show, which runs through July 5, and it is fun to meet "Vitruvian Man" face to face — but the final verdict must be the same as Dr. Johnson's on the Giant's Causeway in Ireland: "Worth seeing? Yes, but not worth going to see."

Roderick Conway Morris is based in Venice and writes for The New York Times and The Spectator.

Free Market

Various small advertisements and notices on the left margin.

ART EXHIBITIONS

Advertisement for the New York City's Foremost International Rare Book Show, featuring rare books, fine bindings, and manuscripts.

ARTFORUM INTERNATIONAL

Advertisement for Artforum International, featuring contemporary art and contemporary ideas. Includes contact information for subscriptions.

Advertisement for Art & Auction, featuring a call for advertising information and contact details.

Advertisement for Mayer International Art Auction Records, 1992 Edition, published by Archer Fields Press.

Advertisement for 'YOU SAW THIS AD.' featuring a message to art collectors worldwide.

Advertisement for the Chicago International Art Exposition, held from May 14-18, 1992.

Advertisement for Saint-Germain des Beaux-Arts, featuring galleries in St. Germain-des-Près and a weekend open-house event.

ECONOMIC SCENE

This Dirty Little Secret Is Now \$4.1 Trillion Big

By Leonard Silk

New York — Everybody, Republican and Democrat, wishes the federal budget deficit would just go away. But it gets worse. The latest monthly Treasury statement shows that during the first six months of fiscal 1992, which began Oct. 1, the deficit widened to \$196.88 billion, from \$152.19 billion in the first half of fiscal 1991.

The ballooning national debt is being ignored in the U.S. electoral campaign.

Some liberals insist conventional definitions of the deficit are wrong — it's smaller than you think. Most tempting of all to politicians is the argument that if they just stimulate growth by cutting taxes, raising expenditures or both, the deficit will vanish. This was the original case for the Reagan tax cuts.

CURRENCY RATES

Table with columns for Currency, Buy, Sell, and other financial data. Includes rows for various currencies like the British Pound, Swiss Franc, etc.

Table with columns for Currency, Buy, Sell, and other financial data. Includes rows for various currencies like the Japanese Yen, Canadian Dollar, etc.

INTEREST RATES

Table showing interest rates for various financial instruments like Eurocurrency Deposits, Key Money Rates, and Asian Dollar Deposits.

Table showing interest rates for U.S. Money Market Funds and Gold prices.

Table showing market rates for various commodities and currencies, including a section for Gold prices in different locations.

OPEC Holds to Output

Cartel Says Prices Are 'Satisfactory'

VIENNA — OPEC oil ministers decided Friday to maintain oil production at current levels, leaving alone a policy that has nudged crude prices higher for the past 10 weeks.

In announcing the decision after a relatively brief meeting here, the group cited signs of impending economic recovery in the United States and other major industrial countries that should keep prices firm.

Oil Minister Hisham Nazer of Saudi Arabia took an upbeat view of the near-term outlook, saying the market was "picking up."

For Eurotunnel, No Light in Sight

By Erik Ipsen

LONDON — Eurotunnel PLC, the owner of the tunnel linking France and Britain, announced typically bleak results on Friday. Group executives said the estimated costs of completing the project had jumped £730 million (\$1.3 billion) in the last six months.

The Debate Over Midland: Is the Price Right?

By Laurence Zuckerman

HONG KONG — Does Hongkong & Shanghai Bank's bid for Midland Bank represent a fair price for the British bank, or is it grossly undervalued?

Strikes Start in Germany, Are Expected to Spread

By Richard E. Smith

FRANKFURT — Unions in Western Germany launched work stoppages on Friday, setting off what stands to be one of the country's most extensive waves of strikes.

Meanwhile, the Bundesbank president, Helmut Schlesinger, repeated in a Friday speech his warnings about an inflationary spiral if high wage demands push prices up further.

One-Time Factors Bolster Western Germany's Growth

By Reuters

FRANKFURT — A mild winter and extra working days bolstered Western Germany's economy in the first three months of this year after months of stagnation, two top officials said on Friday.

Goodyear Turnaround: A \$66.3 Million Profit

United Press International

AKRON, Ohio — Goodyear Tire & Rubber Co. on Friday reported first-quarter net profit of \$66.3 million, the best first-quarter performance in three years and a striking turnaround from a \$90.1 million loss a year ago.

RELIGIOUS SERVICES

- A list of religious services across various cities including Amsterdam, Brussels, Munich, Bonn, Paris, and others. Each entry includes details about the church, time, and location.

Michelin, Pirelli Stock Up

Reuters

PARIS — The stock price of two major European tire makers, Michelin and Pirelli, rose strongly on Friday as investors bet on a recovery of the tire business, dealers said.

Paris's parent holding company, Pirelli & Co., was holding its annual meeting Friday.

MARKET DIARY

Late Sell Programs Hammer Blue Chips

Bloomberg Business News NEW YORK — Prices on the New York Stock Exchange took a plunge in late trading Friday, hammered by computer-guided sell orders, to finish sharply lower. General Motors accounted for much of the decline in the Dow Jones industrial average, as weak auto sales in mid-April fueled old jitters about the strength of the economic recovery. The Dow fell 24.15 points to close at 3,324.46 Friday, ending the week with a decline of 1.2 percent, or 42.04 points. Declining common stocks outnumbered advancing issues by about an 8-to-7 margin on the NYSE. Trading was heavy with about 203.4 million shares changing hands on the Big Board. "The recovery may be stalling as evidence grows that consumers aren't buying big-ticket items, such as cars," said Dale Tills, head of institutional equities at Charles Schwab in San Francisco. Auto manufacturers said Thurs-

day that U.S. sales of North American-made cars fell during mid-April to an annual rate of 5.4 million, down from 5.8 million in the previous period. GM fell 2 3/4 to 39% on more than 3.1 million shares traded. In addition to the weak sales, the stock was hurt by the company's plan to sell 50 million shares to improve its finances. Ford Motor declined 1/8 to 43% and Chrysler fell 1/8 to 18%. Among other active stocks, Black & Decker, which sold 18 million common shares as part of a plan to reduce debt, rose 1/4 to 24. American Express declined 1/4 to 27% after releasing earnings that were below expectations. Bank of Boston advanced 1 1/4 to 21% after reporting surprisingly strong earnings and a decline in nonperforming assets. Kimberly-Clark gained 2 1/4 to 53% after reporting a 13 percent increase in first-quarter earnings. Alexander's Inc. rose 1 1/2 to 13 after it said it is attempting to sell stores to avoid filing for bankruptcy protection.

Dollar Closes Lower Ahead of G-7 Meeting

NEW YORK — The dollar fell slightly Friday as traders squared positions ahead of the Group of Seven meeting this weekend. Strength in the Deutsche mark helped undermine the U.S. currency, traders said. The dollar slipped to 1.6510 Deutsche marks from 1.6585 DM on Thursday, and to 134.50 yen from 134.62 yen. Treasury Secretary Nicholas F. Brady prompted some demand for the dollar after he said that big German budget deficits were responsible for high European interest rates. Mr. Brady's comments were the latest in a verbal battle about responsibility for sluggish world

growth. The mark weakened earlier in the week on speculation that Germany would come under pressure from the G-7 to lower its interest rates. Analysts said, however, that the Bundesbank would remain intent on pursuing its restrictive anti-inflationary credit policy, especially after Thursday's report of a sharp rise in German money supply, which bolstered the mark. The case for higher interest rates was underpinned Friday by comments from Bundesbank officials and the start of strikes by public-sector workers. The dollar also closed at 1.5290 Swiss francs, down from 1.5390 francs, and 5.5725 French francs, down from 5.6040 francs. The British pound rose to \$1.7727 from \$1.7678. (Bloomberg/Reuters)

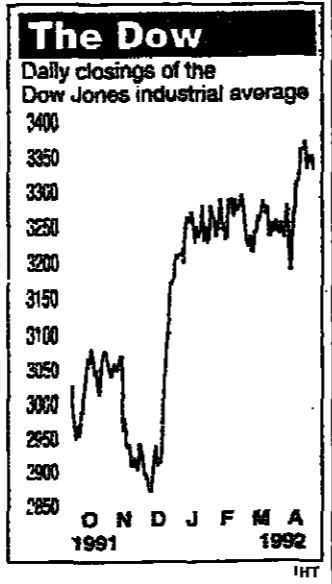


Table with columns: Vol, High, Low, Last, Chg. Lists NYSE Most Active stocks including Blockbuster, GM, and Ford.

Table with columns: Vol, High, Low, Last, Chg. Lists NYSE Most Active stocks including Blockbuster, GM, and Ford.

Table with columns: Vol, High, Low, Last, Chg. Lists NYSE Most Active stocks including Blockbuster, GM, and Ford.

Table with columns: Vol, High, Low, Last, Chg. Lists NYSE Most Active stocks including Blockbuster, GM, and Ford.

Table with columns: Vol, High, Low, Last, Chg. Lists NYSE Most Active stocks including Blockbuster, GM, and Ford.

Table titled 'Dow Jones Averages' showing various market indices like Industrials, Utilities, Finance, and SP 500.

Table titled 'Standard & Poor's Indexes' showing various market indices like Industrials, Utilities, Finance, and SP 500.

Table titled 'NYSE Indexes' showing various market indices like Composite, Industrials, Utilities, Finance, and SP 500.

Table titled 'NASDAQ Indexes' showing various market indices like Composite, Industrials, Utilities, Finance, and SP 500.

Table titled 'AMEX Stock Index' showing various market indices like Composite, Industrials, Utilities, Finance, and SP 500.

Table titled 'Dow Jones Bond Averages' showing various market indices like 20 Bonds, 10 Industrials, and 10 Industrials.

Table titled 'Market Sales' showing various market indices like NYSE 4 a.m. volume, NASDAQ 4 a.m. volume, and AMEX volume.

Table titled 'N.Y.S.E. Odd-Lot Trading' showing various market indices like Buy, Sell, and Total.

Table titled 'S&P 100 Index Options' showing various market indices like Strike, Call, Put, and Total.

Table titled 'NASDAQ Diary' showing various market indices like Advanced, Declined, Unchanged, and Total Issues.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Table titled 'EUROPEAN FUTURES' showing various market indices like SUGAR, COCOA, and COFFEES.

Kellogg Profit Rises on Sale of Unit BATTLE CREEK, Michigan (Bloomberg) — Kellogg Co. said its first quarter profit rose 20 percent, aided by a gain from the sale of a subsidiary. Net income rose to \$196.2 million from \$163.1 million a year earlier. Sales rose 6.6 percent to a record \$1.52 billion. Kellogg said the results included a gain of \$38.5 million from the sale of Fearn International Inc., a U.S. food-service subsidiary, and a \$22.4 million charge for the closing of an Ontario food manufacturing plant and the sale of other North American assets.

Hoechst Celanese to Revamp Fibers CHARLOTTE, North Carolina (Bloomberg) — Hoechst Celanese Corp. said it will spend about \$600 million over the next five years to restructure its North American polyester fiber business. The restructuring involves shifting some production from plants in the United States and Canada to Mexico, which analysts said would cut costs.

CFTC Charges Traders With Fraud WASHINGTON (Reuters) — U.S. regulators on Friday filed fraud charges against futures traders at two New York exchanges, saying they mishandled customers' orders and engaged in fictitious trades. The Commodity Futures Trading Commission charged four sugar brokers on the Coffee, Sugar and Cocoa Exchange with fraud in the handling of customer accounts.

Gillerman Is Chosen for Comptroller WASHINGTON (Combined Dispatches) — President George Bush is likely to nominate James Gillerman, the California state banking superintendent, to be the Comptroller of the Currency, the White House said Friday. Mr. Gillerman, an accountant, is a former chairman of the Republican Party Central Committee in San Francisco. He has been an advocate of expanded powers for banks. His nomination was rejected by the Senate. Separately, Mr. Bush announced on Friday a series of regulatory reforms for the financial services industry. He said he was asking the Federal Reserve Board, Federal Deposit Insurance Corp., Comptroller of the Currency and Office of Thrift Supervision to find ways to permit banks and thrifts to engage in a wider variety of nonbanking activities under existing authority. The agencies also are to coordinate examinations of banks and thrifts and their holding companies. (AP, UPI)

S&I Industry Loss Narrowed in 1991 AUSTIN, Texas (UPI) — The thrift industry posted a loss of \$2.7 billion in 1991, but that was a significant improvement over the \$13.2 billion loss in 1990, Sheshonoff Information Services Inc. said Friday. The company said the narrower loss was a result of actions by the Resolution Trust Corp., the government agency set up to close and take over the assets of insolvent savings and loans associations. With the removal of insolvent units, the industry's total assets in 1991 declined \$168 billion, or 15.2 percent, to \$941 billion from the previous year. The number of insolvent thrifts declined from a high of 636 at the end of 1989 to 97 at the end of 1991.

Pra American Road Airways' liability in the 1988 bombing of one of its flights over Lockerbie, Scotland, will be determined in a trial that is to begin in New York on Monday. Bristol-Myers Squibb Co. has admitted in a plea-bargain deal that discharges from its Syracuse, New York, facility polluted Onondaga Lake, and has paid \$3.5 million in fines and penalties and agreed to build a pre-treatment facility for wastewater by 1996, the state attorney general, Robert Abrams, said. (UPI)

GM: Automaker's European-Trained Broom Starts Sweeping in Detroit

(Continued from page 1) Two men were appointed to drive the process, one a marketer, one a production man. J. Michael Losh, general manager of the Oldsmobile division, was promoted to GM vice president in charge of North American sales and marketing. E. Michael Mutchler, a senior executive of GM Canada, was put in charge of North American production of car platforms — the essential rolling undercarriage of any car.

Analyst said Mr. Mutchler was in effect GM's production boss, a position of centralized control that has been astoundingly lacking at GM. In addition to these centralizing lessons learned from Europe, where he served as president in the latter part of the 1980s before becoming chief of all international operations, Mr. Smith brought in a European to run a reorganized purchasing system.

J. Ignacio Lopez de Arriortua, vice president of GM Europe in charge of supply, was promoted to vice president in charge of worldwide purchasing and will serve simultaneously in both the North American and European companies. The company announcement said his appointment was "part of a GM move to a more centralized purchasing structure that will combine the corporation's global resources to reduce material cost."

WORLD STOCK MARKETS

Table titled 'WORLD STOCK MARKETS' showing various market indices for different countries like Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, Paris, Sao Paulo, Singapore, Stockholm, Tokyo, Zurich, and others.

Table titled 'WORLD STOCK MARKETS' showing various market indices for different countries like Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, Paris, Sao Paulo, Singapore, Stockholm, Tokyo, Zurich, and others.

U.S. FUTURES

Table titled 'U.S. FUTURES' showing various market indices like Grains, Metals, Limestone, Livestock, and others.

U.S. / AT THE CLOSE

Table titled 'U.S. / AT THE CLOSE' showing various market indices like S&P 500, NYSE, NASDAQ, and others.

O&Y May Get Loan For Canary Wharf

LONDON—Creditors banks on Friday pledged fresh cash to Olympea & York Developments Ltd. for its Canary Wharf office project, but stopped short of a £110 million loan sought by the embattled Canadian company, some sources close to talks on a rescue plan for the project said.

Other officials close to bankers on the creditors' committee said, however, that while a rescue plan was under consideration, no decision was expected before Monday at the earliest.

Officials of O&Y were not available for comment on Friday. An O&Y spokesman said reports of an agreement were "speculative."

Spokesmen for the 11 creditor banks refused to publicly disclose how much they might be willing to provide to keep the Canary Wharf project alive, but sources close to the negotiations said the sum would be "somewhat less than £50 million" (£88 million).

The banks have come up with a set of proposals for O&Y which involves some form of short-term facility, one banker said. "But

French Trade Pursues Its Improving Trend

PARIS—France recorded its fourth trade surplus in six months in March, the Customs Office reported Friday, as large sales of Airbus aircraft and the improved competitive abilities of French industry made themselves felt.

According to preliminary figures, the seasonally adjusted trade surplus in March was 1.38 billion francs (\$245.9 million) compared with a revised surplus in February of 391 million francs.

March exports rose 2.9 percent from February to 106.9 billion francs. Sales of Airbus planes assembled by a European consortium in Toulouse and exported by France brought in an unusually high 5.4 billion francs. Imports rose 1.9 percent to 105.5 billion francs.

France ran a seasonally adjusted surplus in the first three months of this year of 5.29 billion francs, compared to a deficit in the year-earlier period of 14.29 billion.

Although the March data showed a widening of the deficit with Germany to 1.12 billion francs from 438 million in February, Wendy Niffke, European economist at James Capel, said France's balance with Germany should improve once the German economy returns to faster growth.

U.K. Retail Sales Fall, Trade Deficit Narrows

LONDON—Britain's trade and current-account deficits narrowed in March, while retail sales declined, the government said Friday, reflecting consumer wariness ahead of the general election.

Some traders said the improved trade figures were a factor in the surge in London stocks on Friday. The Financial Times-Stock Exchange 100 share index rose 33.2 points, to 2,643 points, the highest close this year, bolstered mainly by expectations that a wave of takeover bids is imminent.

The merchandise trade deficit narrowed to £275 million (\$1.54 billion) in March from £1.01 billion in February, and the current account deficit narrowed to £275 million from £708 million. Imports

Investor's Europe				
Frankfurt DAX	London FTSE 100 Index	Paris CAC 40		
1800	2700	2000		
1750	2600	1900		
1700	2500	1800		
1650	2400	1700		
1600	2300	1600		
1550	2200	1500		
1500	2100	1400		
1450	2000	1300		
1400	1900	1200		
1350	1800	1100		
1300	1700	1000		
1250	1600	900		
1200	1500	800		
1150	1400	700		
1100	1300	600		
1050	1200	500		
1000	1100	400		
950	1000	300		
900	900	200		
850	800	100		
800	700	0		
750	600	0		
700	500	0		
650	400	0		
600	300	0		
550	200	0		
500	100	0		
450	0	0		
400	0	0		
350	0	0		
300	0	0		
250	0	0		
200	0	0		
150	0	0		
100	0	0		
50	0	0		
0	0	0		

Banesto's Quarterly Profit Increases

MADRID—Banco Español de Crédito SA said Friday that consolidated net profit rose to 14,103 billion pesetas (\$135.1 million) from a revised 13,836 billion pesetas the previous quarter.

Last year Banesto reported consolidated net profit of 12,986 billion pesetas. It said the revised 1991 figures factor out the contribution of Banco Canales de Crédito SA but include results from Banco Totta & Acores.

Operating profit rose 16 percent to 28.46 billion pesetas from 24.71 billion. Consolidated gross profit was little changed at 17,230 billion pesetas, versus 17,219 billion.

Cadbury Likes Dr. Pepper

LONDON—Cadbury Schweppes PLC is committed to keeping its minority position in Dr. Pepper/Seven-Up Co., but "not for all time," the chief executive, Dominic Cadbury, said Friday.

Cadbury Schweppes has no plans to sell its 8.5 percent position in Dr. Pepper during the soft drink company's initial public offering, Mr. Cadbury said. Dr. Pepper filed with the Securities and Exchange Commission on Thursday to sell as many as 29.8 million common shares in an offering aimed at raising about \$600 million.

The offering will dilute Cadbury Schweppes's stake to about 5 percent. "We're very happy with our shareholding in Dr. Pepper/Seven-Up, and our relationship," Mr. Cadbury said.

At the same time, Cadbury Schweppes has no plans to increase its holding. "If the American public have confidence in the future of Dr. Pepper/Seven-Up and subscribe for shares," Mr. Cadbury said, "I wouldn't want to oppose that confidence in the future of Dr. Pepper/Seven-Up."

Dr. Pepper makes Cadbury Schweppes's concentrated syrups for U.S. brands such as Sunkist, Canada Dry and Crush.

Cadbury Schweppes's stake in Dr. Pepper was reduced to 8.5 percent from 35 percent after Dr. Pepper merged with Seven-Up in 1988.

STET Stock Is Hit By Rumor of a Capital Increase

MILAN—STET SPA's share price fell 3.5 percent Friday on heavy selling triggered by rumors of an imminent capital increase, but the state-controlled telecommunications holding company denied that a capital rise was in the works.

STET officially closed at 2,120 lire a share, down from Thursday's 2,197. The rumor also led to selling of other telecom stocks, including SIP, the phone utility that is controlled by STET.

SIP closed at 1,458 lire on Friday after closing Thursday at 1,486 lire.

In February STET launched a 400 billion lire (\$320 million) capital increase in the form of SIP warrants.

Capital increases by STET, which is involved in a heavy long-term investment program, have been regular affairs in recent years.

SBC Indicates Profit Was Weak in Quarter

BASEL—Swiss Bank Corp. said Friday that its first-quarter operating profit "did not quite match" that of the similar 1991 period, but it did not provide figures. The bank said commissions and income from the derivative business "substantially increased" in the latest period.

It said it expected provisioning requirements to remain "relatively large" because of the weak global economy and high interest rates. SBC said its balance sheet grew 2.4 percent, to 172.7 billion francs (\$112 billion) in the quarter.

KOHL: Germany's Showcase Summit Shows Signs of Becoming a Fiasco

(Continued from page 1)

summit meeting, will press President François Mitterrand, of France and other EC leaders to accept the position of the United States and most other GATT nations in Frankfurt, to counter the inflationary consequences of that action, has been forced to lift interest rates to record levels, which is pushing up borrowing costs throughout Europe.

"The prospects for lower interest rates in Europe would be enhanced," the IMF said in its World Economic Report this week, "if Germany's fiscal consolidation plans were implemented more rapidly than currently envisaged."

But Mr. Kohl is faced with the rise of political difficulties at home, particularly from rightist forces exploiting immigration fears and from taxpayers uneasy about the burden of reunification. He is boxed in and cannot easily raise taxes or cut spending.

U.S. officials, while clearly worried that Germany's problems will retard a European economic revival, are going out of their way to avoid a blowup at the Group of Seven session this weekend.

"I would urge you not to simply categorize this into a sort of a dispute over interest rates," David C. Mulford, the U.S. Treasury undersecretary for international affairs, told reporters on Thursday. "It's a much broader issue and it is something that I think the Germans also want to discuss."

German officials, however, reacted angrily by clearly telling the Bush administration, which faces \$400 billion budget deficits of its own, to mind its own business.

"The principle of G-7 cooperation rests on the principle that every country should keep its own house in order," said Horst Köhler, Germany's deputy finance minister. "David Mulford's comments are to be rejected in form and content. It is not acceptable that the deliberations of the G-7 ministers should be burdened by one-sided and partly false public comments by a senior official."

Very briefly:

- VMF Stork NV, the Dutch machine maker, said it had agreed to buy the installation and engineering activities of Sutherland-Schultz Ltd. from Derlan Industries Ltd. of Toronto; no terms were given.
- Siemens AG said sales in its transport division rose 14 percent in the six months ended in March, to 1 billion Deutsche marks (\$601 million).
- Compagnie des Machines Bull said it will cut 1,100 jobs this year, or 7.5 percent of its work force in France.
- Ferruzzi Finanziaria SPA said the U.S. Navy had ordered seven minesweepers from its U.S. unit, Intermarine USA; no value was given.
- Treshandanstalt, the German privatization agency, said it would create a company to sell 1.4 million hectares (3.5 million acres) of farm and forest land in the former East Germany.
- Average inflation in the European Community edged up to 4.8 percent in the year ended in March from 4.7 percent in the year ended in February, the EC statistics office said.
- Philips Electronics NV said it had opened a plant in Shanghai to manufacture integrated circuits, a joint venture between Philips Electronics South-East Asia Holding BV and the Shanghai No. 7 Radio Factory.
- The Dutch cabinet reached agreement on a 1 percentage point cut in the value-added tax rate, to 17.5 percent, in 1993 as part of budget proposals.

COMPANY RESULTS

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.	Ashland Oil	Brusnick	Chiquito Brands Int'l	Control Data	Exxon
1st Qtr. Revenue	2,257	588.10	1,992	1,992	2,714
2nd Qtr. Revenue	2,157	492.00	1,992	1,992	2,714
1st Qtr. Net Inc.	109.16	12.32	1,992	1,992	2,714
2nd Qtr. Net Inc.	109.16	12.32	1,992	1,992	2,714
1st Qtr. Per Share	0.53	0.13	1,992	1,992	2,714
2nd Qtr. Per Share	0.53	0.13	1,992	1,992	2,714
1st Qtr. Revenue	2,257	588.10	1,992	1,992	2,714
2nd Qtr. Revenue	2,157	492.00	1,992	1,992	2,714
1st Qtr. Net Inc.	109.16	12.32	1,992	1,992	2,714
2nd Qtr. Net Inc.	109.16	12.32	1,992	1,992	2,714
1st Qtr. Per Share	0.53	0.13	1,992	1,992	2,714
2nd Qtr. Per Share	0.53	0.13	1,992	1,992	2,714

NASDAQ

Friday's Prices
The list compiled by the AP consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

Symbol	Price	Change	Symbol	Price	Change
AA	100.00	0.00	IBM	100.00	0.00
ABB	100.00	0.00	INTL	100.00	0.00
ABC	100.00	0.00	JPM	100.00	0.00
DEF	100.00	0.00	KLE	100.00	0.00
GHI	100.00	0.00	LMO	100.00	0.00
JKL	100.00	0.00	MNO	100.00	0.00
PQR	100.00	0.00	STX	100.00	0.00
UVW	100.00	0.00	TSE	100.00	0.00
XYZ	100.00	0.00	WYV	100.00	0.00

AMEX

Friday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low	High	Low
117.50	117.00	AAC	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAE	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAI	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low	High	Low
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low	High	Low
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low	High	Low
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low	High	Low
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low	High	Low
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00

China
Economists' View

South Africa
Stock Listing

You can't beat this subscription offer:

SAVE up to **46%** off the newsstand price.

RISK-FREE TRIAL PERIOD
If you are not fully satisfied, notify us within 4 weeks for a full refund. No questions asked.

FREE BONUS ISSUES
see table below

Mail your order today or call us toll-free.
France: 05-437-437. Germany: 0130-848585.

Subscription Rates & Savings off HT newsstand prices

Country/Currency	12 months + 2 months FREE	14 months newsstand rate	6 months + 1 month FREE
Austria	5,800	9,100	3,200
Belgium	13,000	20,000	7,100
Denmark	3,400	4,732	1,900
Finland	2,200	3,640	1,200
France	1,800	3,094	990
Germany (incl.)	665	1,092	365
Germany (excl.)	810	1,292	416
Greece	190	291	105
Ireland	220	346	120
Italy	450,000	800,000	250,000
Luxembourg	13,000	20,000	7,100
Netherlands	710	1,146	390
Norway	3,300	5,096	1,800
Poland	45,000	76,400	25,000
Spain	45,000	69,160	25,000
Switzerland	590	1,092	365
Rest of Europe, H. Africa, former French Africa, Middle East	2,900	4,368	1,600
Rest of Africa, Gulf States, Asia Central/Latin America	3,300	4,368	1,600
USA	780	1,292	416

INTERNATIONAL HERALD TRIBUNE

Return your completed coupon to Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Fax: 33.1.46.37.06.51 - Tel: 33.1.46.37.03.61

NYSE
Friday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

High	Low	Stock	Div	Yield	PE	High	Low	High	Low	High	Low	High	Low	High	Low
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAJ	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00
117.50	117.00	AAK	0.00	0.00	0.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00	117.50	117.00

ESORTS & GUIDES

INTERNATIONAL CLASSIFIED
(Continued From Back Page)

BELLE EPOCH
THE ESCORT SERVICE

MERCEDES
9 AM TILL MIDNIGHT - 7 DAYS
MAJOR CREDIT CARDS ACCEPTED
TEL: LONDON (071) 351 6666

INTERNATIONAL ESCORTS
Available Worldwide
212-688-1666
Major Credit Cards & Cheque Accepted

DEBUTANTE
Escort Service for Central London & Heathrow 071 431 8364

ESORTS & GUIDES
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL

ESORTS & GUIDES
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL

ESORTS & GUIDES
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL

ESORTS & GUIDES
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL

ESORTS & GUIDES
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL
GENOVA - BEST COMPANY - BASEL

TO OUR READERS
IN HOLLAND
The International Herald Tribune is now on newsstands throughout Holland every morning six days a week Monday-Saturday. If you have problems getting your copy, please contact our address International BV, P.O. Box 554, NL 2130 AN Hoofddorp, Tel: 02503-24024/Tlx: 41833/Fax: 02503-23880

China 'Overheating' Is Feared

Economists Predict Higher GNP Amid Inflation Worries

BEIJING — Economic growth in China will reach 9.3 percent this year, well above the government target of 6 percent, amid strong signs of rekindled inflation, Chinese economists said Friday.

Prime Minister Li Peng forecast in March that China's gross national product would grow 6 percent this year, down from 7 percent in 1991.

The monthly surplus was the highest on record, the government Statistics Department said. It also reported that record exports of 17.1 billion dollars in the year to March 31 had sent the annual trade surplus soaring to 2.07 billion dollars.

Big Surplus In Trade for Wellington

WELLINGTON — The government announced Friday a trade surplus for March of \$24.4 million New Zealand dollars (\$279.9 million) and hailed the report as proof that the embattled New Zealand economy was on its way to an export-led recovery.

Moody's Cuts Ratings On Daiwa and Nikko

MOODY — Moody's Investors Service Inc. said it downgraded the debt ratings of Daiwa Securities Co. and Nikko Securities Co., citing concerns over the companies' long-term profitability, which has been weakened by the slump in the Tokyo stock market.

The rating agency lowered Daiwa's long-term credit rating to A1 from A2 and Nikko's to A2 from A1. The downgrades affect \$800 million of Daiwa debt and \$200 million of Nikko debt.

Investor's Asia

Table with columns: Exchange Index, Friday Close, Prev. Close, % Change. Includes data for Hong Kong Hang Seng, Singapore Straits Times, Tokyo Nikkei 225, Kuala Lumpur Composite, Bangkok SET, Seoul Composite Stock, Taipei Weighted Price, Manila Composite, Jakarta Stock Index, New Zealand NZSE 100, Bombay National Index.

Very briefly:

- The Hang Seng index, Hong Kong's blue-chip gauge, set a fifth straight record on solid overseas demand, closing up 42.39 points at 5,330.17.
• Electricite de France has won an operations service contract worth \$35 million for China's Daya Bay nuclear power plant.
• Shiseido Co., the Japanese cosmetics company, said it would sell its products in Ireland starting in October, using Daigatae Ltd. as its agent.
• Daiel Inc., Japan's largest supermarket operator, said pre-tax profit rose 3.3 percent year-on-year to 27.5 billion yen (\$204 million) in the financial year that ended Feb. 29.
• NKK Corp. forecast capital spending would rise 80 percent to 218 billion yen in the current financial year, to March 31, 1993; Nippon Steel Corp. said it would hold capital spending steady at 200 billion yen.
Reuters, AP, AFP, AFX, Bloomberg

Seoul Accuses 12 of Fraud on Stock Listings

SEOUL — South Korean prosecutors on Friday announced the arrests of seven business executives and five certified public accountants on charges of falsifying financial statements to enable companies to obtain stock market listings.

'B' Shares Soar in Shenzhen

HONG KONG — China's "B" shares reserved for foreigners soared this week on the Chinese exchanges as more players emerged to snap up limited supplies, brokers said Friday.

Japan Banks Detail Securities Losses

TOKYO — Japan's leading banks on Friday disclosed details of unrealized capital losses on securities holdings, with Sanwa Bank posting the biggest unrealized loss at 145.07 billion yen (\$1.1 billion).

Ministry to Reassure Investors

TOKYO — Japan's leading banks on Friday disclosed details of unrealized capital losses on securities holdings, with Sanwa Bank posting the biggest unrealized loss at 145.07 billion yen (\$1.1 billion).

Deadline on Arrears Set By Arab Monetary Fund

ABU DHABI — Four Arab Monetary Fund members that owe the fund \$572 million have been given up to two years to pay their arrears, the fund's managing director, Osama Faqih, said Friday.

PRICE: Is Hongkong Bank Undervaluing Midland?

(Continued from first finance page) banking market," said Nicky Gough, an analyst at Cocks & Co. of Hong Kong, where 1997 is increasingly viewed as just another date on the calendar.

From the Hong Kong perspective, HSBC is coming to the rescue of ailing Midland, injecting fresh capital and giving Midland shareholders a golden opportunity to get in on HSBC's Asian revenue stream as well as a nearly 60 percent premium above the price of their Midland shares a month ago.

The day before the deal was disclosed on March 17, Midland shares closed at 233 pence, their Friday price, influenced by the bid, was 48 percent higher than that.

Japanese Car Output Declines

TOKYO — A slowing economy and weak domestic sales pushed down automobile production in Japan during the year ended March 31, the first yearly drop in auto output in five years, the Japan Automobile Manufacturers Association reported Friday.

Investors Grab Shares In Fairfax Public Offer

SYDNEY — Shares in John Fairfax Holdings — due to retail next month after a four-and-a-half year absence, were snapped up by investors, underwriters said Friday.

ADVERTISING INTERNATIONAL FUNDS April 24, 1992. Includes sections for INTERNATIONAL FUNDS, MALAYSIA CAPITAL INVESTMENT, MAN INTERNATIONAL FUTURES, and various fund listings with columns for fund name, currency, and price.

FIRST COLUMN
Of Fools Both Great And Small

HERE is a popular misconception that you have to be smart to make money from investing. But the truth is that you don't really have to be smart, just less dumb than the next guy. Being genuinely clever is no more than a bonus — not essential, but it helps.

Students of the market will probably recognize the above as the "Greater Fool" theory of investment. This theory focuses on the parties who buy shares, and holds that if I buy a share from you at \$5 when you bought a few months previously at \$2.50, I'm a greater fool than you are. If I can then sell the share on a few months later to someone who'll take it and pay me more than \$5, that person is a bigger fool than both of us. Suddenly the buy I made no longer looks foolish, but smart: I have been redeemed by the stupidity of the greater fool.

On its own, of course, the theory cannot stand up. The real wisdom or otherwise of the above transactions would depend on economic and business factors affecting the prospects for the company. The market factors into a stock's price things like trading conditions, political stability of export markets, changes in top management, sensitivity to interest rate changes (obviously, companies with lots of debt tend to be more sensitive), and so on. Even an unsophisticated broker, the kind who operates almost entirely on instinct for the next market move, will probably be mildly shocked if you argue that the market in which he works is really no more than a computerized chain letter.

What the markets have attempted to do with the theory is relegate it to legend. It has become part of market lore that the Kennedy family fortune was saved just before the 1929 crash when Joseph Kennedy Sr. decided to sell everything after receiving a stock tip from a shoeshine boy. He is supposed to have thought, quite reasonably, that if the shoeshine boy was giving advice there could be few people foolish enough to listen. There could be no more money left to go into the market. And he was right.

The market is comfortable with that story, partly because it happened a long time ago. But there are those who argue that financial history is repeating itself today, all the time.

For example, Japanese warrants, as reported this week, made a lot of bigger investors very rich in the mid '80s. By the time the funds for the small investors were launched the market, we now see, was mature. More fool the small investor.

Japan Warrants: Few Guarantees

By Philip Crawford

IT'S a familiar scenario. The market plunges, and for a while, hand-wringing and doomsday-saying are the everyday fare served up by investment pundits. But as with the Nikkei 225's recent nosedive, there comes a point when people start to sniff out the bottom and search for value. Bargain hunting, indeed, was one reason behind Friday's late rally, which sent the Nikkei up 140 points to just over 17,540.

Typically, for such times, speculation about the warrant market has heated up. Despite the tide of now-worthless Japanese warrants floating around, some market analysts claim that excellent opportunities are still available in Tokyo. Others say that Japanese warrants, the bulk of them equity-linked, should be treated like a contagious disease.

Has the Nikkei hit its nadir? Will these warrants — inherently bull-market vehicles that they are — soon become the belles of a market that some say has nowhere to go but up? The debate is a lively one.

"You definitely want to stay away from a large chunk of the warrant market," said Peter Glynn-Percy, manager of the Invesco MIM Nippon Warrant fund, in Tokyo. "But if you stay away from it totally, you may look back two years from now and say: 'Wow! I missed a fantastic opportunity!'"

Warrants are highly leveraged securities for which one pays a small price now — usually a fraction of a company's current share price — for the right to buy a certain number of shares at an "exercise price" within a defined time frame, typically one to five years. These are known as call warrants. Warrants to sell shares, known as put warrants, are also available, but companies don't issue them on their own stock. Investors buy call warrants only when they think a company's trading price will become higher than the sum of the exercise price and the cost of the warrant itself. If the trading price stays lower than the exercise price during the life of the warrant, the security is said to be "out of the money."

Mutual funds specializing in warrants, moreover, are the frequent vehicle of choice for the individual investor, since market makers typically require a minimum investment of \$750,000 to deal directly in the highly speculative paper. Such funds typically have minimum holding requirements of between \$5,000 and \$15,000.

While opinions on Japanese warrants vary widely, Tokyo market watchers appear to agree on at least one thing: The majority of warrants issued over the past few years are so far out of the money as to hold the same relevance as last year's baseball standings.

The litany is grim: Nippon Steel's February '89 issue expires in February '93 and has an exercise price of 925 yen, but the stock currently trades around 300 yen; Yamamoto Pharmaceutical Co.'s July '87 issue, expiring this July, carries an exercise price of 3,573 yen but the stock is now at 2,600; NEC Corp.'s most recent issue will have to rise by almost three quarters from present levels by next February to finish in the money. And these are just a few notable examples.

"Warrants should be left well enough alone," said Simon Nicholson, a Japan market analyst with Gartmore Investment Ltd. in London. "The Nikkei will have to go above 22,000 for them to even begin to perform again, and frankly, I expect it to go down to 12,000 or 13,000. At that point, I might be a buyer."

"I think it will be a very long time before the Japanese can build the confidence for a serious bull market," he added. "We'll see some rallies, but I think the market is going to go sideways for a year or two."

Shares in Gartmore's Japanese Warrant Fund are currently offered at about 60 U.S. cents, down 95 percent from their \$12 range a year-and-a-half ago.

One Tokyo-based analyst, who insisted on anonymity, called Japanese warrants a "dead market," void not only of current trading action but also of forward-looking curiosity.

"There's been very little activity because they're all so far away from their exercise prices," he said. "If the market were to recoup say 3,000 to 5,000 points, then you could take a sensible look at them, but they're so far out of the money that it's a rather futile exercise at this point. Besides, I think the Nikkei's headed even further south."

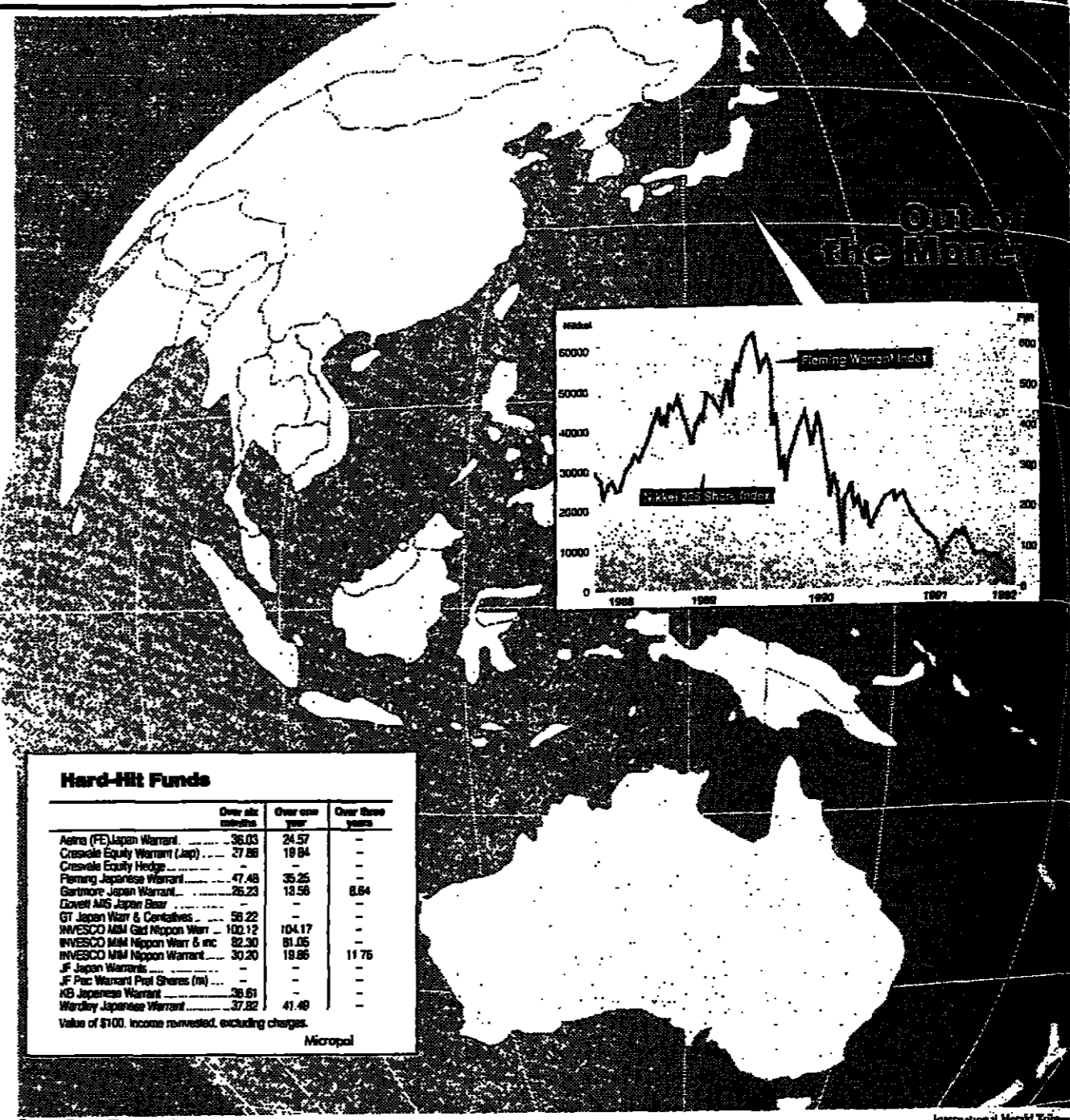
Is all this gloom justified?

The pessimists, to be sure, have the luxury of fact on their side, since one unthinkable barrier after another has been shattered by the Nikkei's downward spiral. The 20,000 threshold was breached on March 26, followed by the 18,000 plateau on April 7, and the 17,000 barrier two days later. Its lowest level since October 1986, of 1,222 stocks in the TOPIX index of all stocks traded on the Tokyo Stock Exchange's first section, only 42, or 3.5 percent, have gone up in price this year.

According to one estimate, moreover, only 120 of the thousands of warrant issues now being traded are within 20 percent of their exercise price.

The Nikkei's behavior, by many accounts, has been out of character for a market which seemed impregnable during the 1980s, when many investors first discovered that warrants, riding atop an economic juggernaut, could bring windfall profits.

The market's weathering of the collapse of



Source: Robert Fleming & Co.

'87, the mimicolapse of October '89 and the political scandals of the same year did little, moreover, to dampen that era's enthusiasm. But the first drops of the icy snow to come fell last autumn when scandals regarding ties to organized crime and illegal compensation to clients for their losses rocked the entire Japanese securities industry.

But in the face of all the gloom, some Tokyo market watchers who cite that amorphous entity known as "market sentiment" are sanguine about the warrant market. "I think there are some fantastic opportunities around," said Richard West, head of Japanese warrant trading at Jardine Fleming Securities in Tokyo. "There's no shortage of people inquiring about the market. Granted, the mood here is low, but that changes with the wind, and when sentiment picks up, the warrant market is one of the first things to react."

Acknowledging that many warrants coming due in 1992 and 1993 have precious little chance of ending up in the money, Mr. West said that a good deal of 1995 and 1996 paper is now attractively priced, and that bottom-fishers have begun to cast their lines. The Nikkei, he opined, has likely already hit the floor. "For the investor looking to gear himself into the Japanese market, warrants are still an excellent vehicle," he said. "Nowa-

days, of course, one has to choose carefully." Selectivity, indeed, particularly in a market glutted with so much worthless paper, is being stressed by many followers of Japan's warrant market.

"It's largely a matter of trying to find long-dated warrants in an equity we like, which

Although many warrants due in 1992 and 1993 have little chance of ending up in the money, some 1995 and 1996 paper is now attractively priced, in the eyes of some analysts.

also carry an exercise price not too far above the current share price," said Ian Burden, manager of Wardley's Japanese Warrant Fund. "The problem is that the Nikkei will have to hit between 24,000 and 26,000 to get back to a point where a lot of warrants will have any relevance at all. But there is value in warrants which come due in 1994 and there-

Mr. Burden said he felt the Nikkei would hit bottom by the beginning of June, and that a further plunge down to the 14,000 level shouldn't surprise anyone. "If you think it's going to hit 30,000 you can fill your boots with warrants," he said. "The market's extremely volatile. But I don't think we're out of the woods yet."

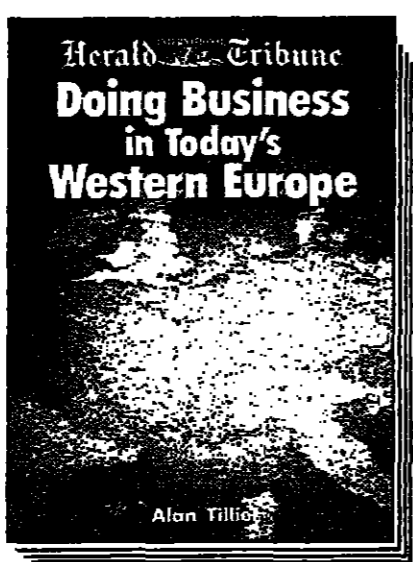
Wardley's Japanese Warrant Fund, last offered at \$3.29, has fallen about 50 percent since the end of January.

Mr. Glynn-Percy, whose Invesco MIM Nippon Warrant Fund has dropped about 78 percent over the past year, said he felt the Nikkei had been depressed much more by sentiment than by fundamentals, adding that he felt the market had probably not hit bottom yet.

He also offered some advice to those considering a venture into Japanese warrants: "They're a high-risk/high-reward vehicle to begin with, even more so in a market as volatile as this. You shouldn't invest in them if you don't think the market's going to go up, and if you do, put only a small portion of your portfolio into them."

"You can make a lot of money very quickly with warrants, but you can lose a bundle just as fast."

Must reading for penetrating the world's largest single market.



Doing Business in Today's Western Europe is a complete, concise, and highly readable guide to the business affairs and practices of the 12 nations of the European Community.

This extensive, country-by-country analysis arms business people with the hard facts and expert advice critical to success in setting up or expanding in Western Europe. For each of the 12 member states — including unified Germany — this book identifies:

- Unique market opportunities and growing regional markets;
- Financial incentives and tax breaks;
- Management and workforce capabilities;
- Transportation and communications networks;
- Property costs and availability;
- Key contacts for investors, including government departments, chambers of commerce, and business hotlines.

In this authoritative handbook, international business journalist Alan Tillier explores the goldmine of business opportunities in the world's largest and increasingly powerful marketplace — Western Europe.

The book also spotlights top companies and tells the stories behind their successes in European markets. To complete the picture, the author examines key issues that affect investment in Europe, such as EC merger and acquisitions policies, technical standardization, public procurement, labor relations, telecommunications, and more.

For those who wish to explore new opportunities in the world's largest market, or for those who simply want to know how business in Western Europe operates, *Doing Business in Today's Western Europe* is must reading. Published by the International Herald Tribune and NTC Publishing (Chicago). Hardcover, 439 pages.

Doing Business in Today's Western Europe

Please send me _____ copies of "Doing Business in Today's Western Europe" at 192 French francs (\$34.95) each, plus postage: 33 francs (\$6) each in Europe; 44 francs (\$8) each outside Europe.

NAME _____
COMPANY _____
ADDRESS _____
CITY/CODE _____
COUNTRY _____ TEL./FAX: _____
Payment is by credit card only. 254-92
Please charge my credit card: Access Amex MasterCard Eurocard Diners Visa
CARD N° _____ EXP. _____
SIGNATURE _____
(necessary for credit card purchases)

Herald Tribune

Return your order to: International Herald Tribune, Book Division, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Or for faster delivery, fax to: (33-1) 46.37.06.51

BRIEFCASE

A Pleasant April Surprise For Some U.S. Taxpayers

The Internal Revenue Service actually gave something to taxpayers this week. Under a new rule it will now allow individual taxpayers with royalty or rental income to deduct as a business expense that part of the preparation fees for their individual tax returns relating to this income.

These fees had been considered "miscellaneous itemized deductions" which are subject to a 2 percent floor — only that amount which exceeds 2 percent of the taxpayer's adjusted gross income can actually be deducted. Business deductions have no income floor.

Under the new rule, sole proprietors, farmers and other individual taxpayers can also deduct expenses relating to the examination of the business portion of their returns.

For example an American abroad with an adjusted gross income of \$100,000 pays an accountant \$1,500 to prepare an individual tax return. Of the \$1,500, \$400 went for the preparation of that part of his return dealing with the rental of his house in the United States. The taxpayer then incurs a further \$1,200 expense when the IRS challenges this portion of the return. So the total fees paid are \$2,700.

Under the new rule, the taxpayer can deduct the \$400 for the business portion of the return plus the \$1,200 in examination costs, a total of \$1,600, as an ordinary business expense on Schedule C. Under the old rule, he could only deduct \$700, the part of fees that exceed \$2,000, his adjusted gross income.

France Wants to Encourage Pension Plans to Hold Stock

France intends to expand its law on personal pension plans to allow the purchase of equity fund shares and direct investment in equities.

A program unveiled by Pierre Bérégovoy while he was still finance minister would allow equity investments of up to 600,000 francs, or just over \$100,000, to accrue free of tax on capital gains and dividends if held for six to eight years. The ceiling would be 1.2 million francs for couples.

Gains on money withdrawn before six years would be taxed at a rate of 18.1 percent, but only on the amount over a certain threshold, which this year is 319,000 francs. As such, only savers who contribute more than that amount to the plan will stand to reap its benefits.

European Life & Pensions Digest, quoting the French financial journal Les Echos, said, "The tax concessions look attractive, even though the industry would have preferred tax relief on money going into a plan as an incentive for investors."

The program must still be formally voted on by the National Assembly. A similar program that allows interest from bank deposits to accumulate tax free for eight years already exists.

Investors in Germany Prove Impassive to New Tax Rule

Is this what is meant by passive investing? The newly passed German legislation that interest earnings should be taxed in a similar way to unearned income and dividend income has not prompted the feared flight of capital across German borders, according to a report from Nomura Research Institute.

emerging markets have really been in vogue. "The combined capitalization of the 20 largest emerging markets grew sevenfold during the 1980s, and by the start of 1991 turnover was nearly 40 times 1980 figures," says the investment house Finesco International in its latest quarterly review.

Markets such as Argentina, Taiwan, Indonesia and Chile were once considered extremely marginal, but are now firmly established as emerging — if still volatile — markets. So, bearing in mind the caveat that prices can go down as well as up and that yesterday's emerging market success is no guarantee of future performance, which are the emerging markets of tomorrow?

Finesco is tipping Czechoslovakia, Hungary and Poland as potential emerging markets. In the Western Hemisphere it highlights Puerto Rico, Jamaica, Peru and Uruguay. Other countries tipped include Israel, Kenya, Morocco and Sri Lanka.

Ernst & Young Is Offering Financial Advice Bimonthly

The IRS' royalty and rental announcement was too recent to make the pages of Ernst & Young's Financial Planning Reporter, but people who take tax saving seriously would certainly find the international accounting and consulting firm's publication an interesting read.

Objective number one must be to save the annual subscription price of \$96 for six bimonthly issues. For readers who have a few thousand to save or invest, that shouldn't be too difficult.

The current issue covers proposed new rules for estimated tax payments, strategies for dealing with bond calls, and advice to investors unaccustomed to non-U.S. investments on how to deal with foreign fixed interest bonds.

Unitex System Offers Data On European Mutual Funds

Fund dealing and information in Europe is to receive a boost with the launch of the Unitex system, which will cover more than 5,000 mutual funds across Europe.

The new service will carry information from the forthcoming European Fund Industry Directory, to be published by the fund statisticians Lipper Analytical and Professional Business Information. This part of the service will be live on the system next month.

Emerging Stock Markets: Spotting the Next Wave

The theory runs that the emerging markets of today are the established markets of tomorrow. On the back of that thinking, sold by marketing departments as "Buy Now — Get In on the Ground Floor," hundreds of millions of dollars have been invested in mutual funds over the last few years when

TO OUR READERS IN HOLLAND

It's never been easier to subscribe and save. Just call today: 02503-24024

With Som...
Asia, Mal...

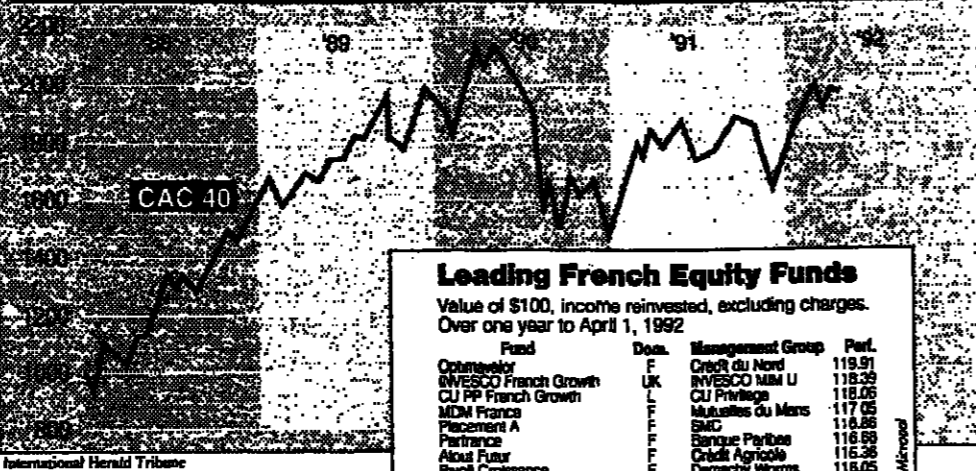
THE MONEY REPORT

With Some Help on Rates, Paris Should Boom On

By Conrad de Aenlle

THE Paris Bourse, the best performer in Europe this year and second best among major world markets, should push higher in coming months, analysts say. They warn, though, that the outlook could turn gloomy if stubbornly high rates fail to come down.

High Performance on the Bourse



Leading French Equity Funds

Table with columns: Fund, Dom., Management Group, Perf. Over one year to April 1, 1992.

French stocks rose strongly after the change in government on April 2 when the unpopular prime minister, Edith Cresson, was dumped in favor of Pierre Bérégovoy, who as finance minister was credited with bringing inflation down and keeping the franc's value high.

Partly because the linkage of rates and currencies in Europe means French monetary policy often is determined in Frankfurt and not Paris, the analysts said the change in the French government will make little difference over the long run in the financial markets.

Analysts' Estimate Japanese Company Performance

Table with columns: COMPANY, End of fiscal year, Earnings est. for '92, Last month's est., % change, Last month's closing price, Current price, % change, P/E (est.), No. of analysts est. used.

In Asia, Make Sure That Business Gift Pleases, Not Shocks

By D. Jacqueline Smith

GIVING is part and parcel of the business world, but the unwary business person can give a clock, a pen or a tie as a gift and get a nasty surprise when the recipient reacts in horror.



like European wines and champagnes. Or bring something a Hong Kong resident would not have seen before, Mr. Engholm says — perhaps something from your home area. However, never make a present of a clock in Hong Kong, China or Taiwan, he warns. This would be considered a very bad omen.

When-in-doubt ask. The go-between can tell if an exchange of gifts will take place and if so when and where. You can also ask a subordinate to suggest an appropriate gift for his superior.

Never give a gift unless it's wrapped extremely carefully and accompanied by a card. If you purchase your gift at a prestigious department store, have the store wrap it in its logo box and wrapping paper.

Receive 10 weeks of VALUE LINE for \$95*

NO. 1 OFFSHORE COMPANY SPECIALISTS

PLANNING TO RUN A CLASSIFIED AD? READ THIS ONE FIRST.

MAKE EVERY WORD COUNT. YES, I WANT TO MAKE EVERY WORD COUNT! Please run my ad as soon as possible.

FREE TRIAL SUBSCRIPTION "THE GLOBAL INVESTMENT DIRECTOR"

TRADE & INVESTMENT THE TWIN ENGINES OF GROWTH

TO OUR READERS IN HOLLAND

SPORTS BASKETBALL

Going Pro: 'The Sooner The Better'

By Robin Finn
New York Times Service

NEW YORK — When 10-year-old Anna Kournikova looks in the mirror at her brand-new Florida condo, she doesn't see a blue-chip investment staring her in the face, but everyone else does.

She has an agent, a high-octane coach, a supplier of tennis clothing and equipment and an exotic international travel itinerary that includes Messina, Italy, and Paris, where she'll tackle the French Open junior division.

Her stunning debut on Florida's junior circuit this month seems a harbinger of shooting-star status: She was unseeded when she won her first event in Largo and then, just a week later, had already been swiftly reclassified as the top-seeded player while annihilating another 14-and-under age division at St. Petersburg.

She is being primed to set precedents and break records: she is an example of where her sport is going, and just how fast it intends to get there.

"When do I want to turn pro? Sooner, really soon, the sooner the better," Kournikova, who devours menus in three languages, said last week from Bradenton, Florida.

These days, women's tennis — with players like Jennifer Capriati turning professional at 13 and Monica Seles pocketing Grand Slam titles like so many candy bars at 17 — can't seem to wait for its stars to become women.

And in the case of Kournikova, a pulverizer with a preternatural grasp of the career riches that beckon, tennis may not even wait for her to turn teenager before assigning her a job as its latest headline.

Kournikova, discovered shagging old tennis balls in Moscow last year by talent scouts from the International Management Group, was ensconced at the Bolletieri Tennis Academy in February and is being touted as the prospect of the century. Now it has become the province of Nick Bolletieri, who was pondering early retirement but changed his mind after hitting with the little girl, to see that Kournikova delivers on her advance billing.

Bolletieri says that Kournikova's potential is limitless.

"I've seen them all, but this one actually frightens me," he said. "She knows everything — what she wants to do and how she's going to get there. She's not only the youngest real prospect I've ever had, but the best. We've had Andre. We've had Courier. We've had Seles, but I can say without hesitation that when I see how this girl can play, at age 10, I'm shocked."

The time, or at least the Kournikova version of it, has been fixed in fast forward ever since she picked up a racket back home in Moscow when she was 5. Once her parents — Sergei, a former Greco-Roman wrestling champion who works in the



Anna Kournikova, 10-year-old sensation.

Physical Culture Ministry, and Alla, who accompanied Anna to Florida — noticed the way she smashed the tennis ball, they sought out coaching from Viktor Rubanov.

Paul Theofanous, an IMG agent with a sports clientele largely from the former Soviet Union, heard about Kournikova's star potential from his contacts there and from Poppi Vinti, a representative for the Italian clothing manufacturer Ellesse, which was already supplying her with tennis wear.

"I kind of laughed it off at first, because of her age," said Theofanous, "but then I saw her hit at the 1991 Kremlin Cup, and I started hearing from too many other people that this one was one extraordinary talent."

Theofanous signed the youngster to an IMG contract, procured the necessary visas and brought mother and daughter to Bolletieri's, an IMG-owned facility.

Bolletieri said Kournikova possessed the volley, overhead and serving technique of players five years her senior, and, more important, an attitude that he has rarely seen in competitors of any age.

"She wants to do better on every ball she hits; she's a hitter. She'll come after you, she has no fear. Carling Bassett hit with her and said she made all the rest of them look like beginners at that age. She's that advanced."

Alla Kournikova said her daughter is, so far as she can see, perfectly suited to life as a tennis star: "She's a smart little girl and a disciplined girl who goes out and gets it, and in every match she plays, she thinks she is going to be the winner."

Celtics Take the Defensive To Defeat Pacers, 124-113

Compiled in Our Staff From Dispatches

Larry Bird was on the bench and the Indiana Pacers were in the lead, a combination that left the faithful at Boston Garden squirming.

Bird had missed six previous post-season games in his career and the Boston Celtics had lost all six. But these days, Boston has something in reserve when Bird is unable to pull out close games and the Celtics called on that something Thursday on the opening night of the National Basketball Association playoffs.

"We knew we were going to have to play defense," said guard Reggie Lewis. "We had to win with defense because we knew we wouldn't have the kind of offense we ordinarily do."

The Celtics clamped down on the Pacers in the fourth period to pull out a 124-113 victory to start their best-of-five Eastern Conference series.

Bird's aching back kept him on the sidelines as the playoffs began and the Celtics were also without guard Deron Brown, who had a sinus infection.

Indiana had a real hope of pulling off a road victory and that hope looked promising when the Pacers

jumped in front by 3 points with seven minutes to play.

But Boston went on a 15-2 run and held the Pacers to 11 points the rest of the way in the start of a series that figures to be close throughout.

Without Bird, Lewis said, the Celtics knew what was expected of them.

"We talked about defense," said Lewis, who established a playoff career high with 36 points. "Everybody has taken it upon themselves to play hard defense and to help out on defense when it is needed."

Cavaliers 120, Nets 113: Despite 40 points, 16 rebounds and nine assists from Brad Daugherty, Cleveland trailed New Jersey, 111-110, with 1:36 left. Then the Cavaliers outscored the Nets, 10-2, in another Eastern Conference game, in Richfield, Ohio. It's the first time in eight playoff appearances that the Cavaliers have won their opening game. Daugherty's 40 points was a Cleveland playoff record.

The Cavaliers, who haven't won a playoff series since 1976, won the game at the foul line, outscoring

the Nets, 39-15, on free throws. Drazen Petrovic led the Nets with 40 points, also a team playoff record.

WESTERN CONFERENCE SuperSonics 117, Warriors 109: In Oakland, California, Shawn Kemp and Ricky Pierce scored 28 points apiece in underdog Seattle's victory. The Warriors, playing with a homecourt advantage for the first time since 1977, lost it when the Sonics exploited their size advantage, outrebounding the Warriors, 52-34.

Derrick McKey scored 19 points and Gary Payton had 14 points and 12 assists for Seattle, seeded sixth in the conference.

Trail Blazers 115, Lakers 102: In Portland, Oregon, the Blazers opened a 36-point lead in the first half and scored 75 points by halftime before coasting to victory over Los Angeles. Cliff Robinson scored 24 points, Clyde Drexler 22 points, Buck Williams 21 and Terry Porter 20.

Trailing 74-41 at halftime, the Lakers scored 16 straight points early in the third quarter as Portland didn't make its first field goal of the period until the 7:05 mark.

(UPI, AP)



Reggie Lewis of the Celtics, right, losing the ball and his balance.

Conner Finally Gets Some Wind Back in His Sails

By Angus Phillips
Washington Post Service

SAN DIEGO — Just when all signs pointed to Dennis Conner's folding his America's Cup tent and turning over the defense effort to someone new, he popped up alive and well, and ornery as ever.

Trailing 3-0 in best-of-13 defenders final trials, Conner dialed up enough speed from some mystery power source for a 39-second victory in moderate seas and gently building breezes over Bill Koch's America 3.

The victory puts his Stars & Stripes back in the running at 3-1, and just to make his intentions clear, Conner twice aimed the bow of his aging racer right at America 3's misdirection and bore down as if to cleave the boat in two, forcing the helmsman to steer clear. Take that, the moves seemed to say. And that's

Conner, who had led just once during the first three races of the final series, was ahead at every turn in Thursday's 20-mile. He built his edge from 11 seconds to almost 1.5

minutes over three legs, before it melted away as America 3 turned on its own afterburners. But Conner hung on and took the finishing gun to horn blasts and cheers of yachting fans.

He was fresh from a 4-minute, 20-second battering Wednesday, his worst beating in this series, after which Conner said he was still searching for an optimum condition for Stars & Stripes, conceding that America 3 looked faster in every wind strength.

But he found his conditions, and they weren't all that unusual: moderate seas, moderate breezes of 6 to 10 knots and bright sunshine. The gentle swell in particular seemed to suit Stars & Stripes, which hates a choppy sea.

After hoisting a new mainsail, Conner took the favored left side of the race course with a perfectly timed start, watched happily as Stars & Stripes marched upward with competitive speed, but still wound up behind when a wind shift pushed America 3 out front.

Many figured that was the beginning of another bad day for Conner. But what one wind shift took away another gave back, and when America 3's helmsman, Buddy Melges, let Conner sail back out alone to the left side, Conner found a puff of air and pulled out to an 11-second lead at the first turning mark, three miles into the race.

Once ahead, he flexed some muscle. Approaching the first buoy-rounding with right of way, he pointed his bow down at America 3, sped up and forced Melges to veer deep behind Stars & Stripes's transom to pass astern, costing his foe time.

At the next mark, having stretched the lead to more than a minute as the breeze built to nine knots, he threw another punch, rounding the buoy, then lining up America 3 and timing a tack perfectly so that Stars & Stripes again shot into her path with right of way.

Melges again veered to avoid a collision, then found himself almost on top of the buoy with little time to drop his flailing spinnaker

and set up for the mark-rounding. More seconds ticked off the clock.

Conner insisted those were standard, aggressive match-racing tactics, and tactician Tom Whidden concurred.

"Any time you can tack under the other guy and make his rounding worse, that's a goal," Whidden said. "And honestly, that was our best gain of the race."

They needed it. America 3 gained from then on, cutting the lead from 1:25 to the final 39 seconds.

Meanwhile, on the adjacent challengers' course, New Zealand ran its advantage to 3-1 over Il Moro di Venezia of Italy in the best-of-nine finals.

Like Conner, New Zealand's skipper, Rod Davis, worked to gain the favored left side of the course at the start. He was ahead the first time the two red boats crossed five minutes up the first leg, and feather-light New Zealand never was in trouble, winning by a comfortable 2:26.

BOOKS

THE CULTURE OF CONTENTMENT

By John Kenneth Galbraith. 195 pages. \$22.95. Houghton Mifflin Co., One Beacon Street, Boston, Massachusetts 02108.

Reviewed by Jonathan Yardley

It cannot be said that John Kenneth Galbraith has composed, in his 84th year, a jeremiad, for in tone "The Culture of Contentment" is measured, ironic, almost weary; nothing about which he writes, he says, is "a subject for either surprise or indignation." But make no mistake about it: Beneath its surface calm this is an unhappy, even angry, book — a gloomy assessment of the current state of America and a pessimistic analysis of the complacency for which sooner or later we will pay a heavy price.

Through it is, as one would expect from Galbraith, in some measure a book about the American economy, in far larger part it is a book about American society. In essence it is Galbraith's argument that contentment is the dominant mood of the American majority and thus the prevailing element in our political and economic life; by contrast with the past, when the contented were few in number but disproportionate in influence, they are now in what he chooses to call "the Contented Majority, the Contented Elec-

toral Majority or, more spaciouly, the Culture of Contentment."

By contentment he means unenlightened self-interest: "Doing well, many wish to do better. Having enough, many wish for more. Being comfortable, many raise vigorous objection to that which invades comfort."

This is not in and of itself lamentable; the drive for individual betterment is, after all, the engine that runs America. But in Galbraith's view it has been corrupted by smugness, selfishness, irresponsibility and callousness.

The members of the contented majority believe that they "are receiving their just deserts"; that "short-run public inaction, even if held to be alarming as to consequence, is always preferred to protective long-run action"; that government is "a burden," save when it finances the entitlements of the contented; and that "great differences in income" are not merely tolerable but a just reflection of the superior virtues and accomplishments of the contented.

The obvious next step would be to lambaste the national administrations of the past dozen years; Galbraith declines to take it. "In defense of Ronald Reagan and George Bush as presidents," he writes, "it must be said and emphasized that both were, or are, faithful representatives of the constituency that elected them. We attribute to politicians what should be attributed to the community they serve."

Galbraith writes at some length about

the shortsightedness and self-destructiveness of late-20th-century American capitalism, with its affinity for "mergers, acquisitions and leveraged buyouts," all of them get-rich-quick schemes that "inflict limitless damage" on the very free-enterprise system they ostensibly serve. He offers a tart and amusing analysis of the preference within government for foreign over domestic policy; he views the former — not entirely frivolously — as in substantial measure "recreational," and says of it: "As compared with the discussion of budgets, taxes, law enforcement, drug abuse, health care or abortion rights, foreign policy is . . . an area of pleasant and relaxing discourse."

It is, that is to say, merely another way of avoiding responsibility — unless, of course, one believes that government has no responsibility for social and economic problems such as those Galbraith mentions. As is well known, Galbraith himself is a firm believer in the capacity and obligation of government to address social and economic ills, a conviction no doubt reinforced by his own service in government at a time when it was functioning rather more efficiently and responsibly than it is today.

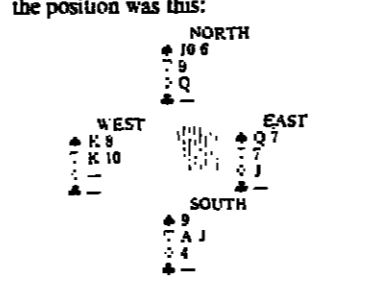
It is possible to share Galbraith's conservatism about the endemic miasma within middle-class America, as I do, but to take issue with his argument that government, if only given the powers required, can straighten out the mess.

Jonathan Yardley is on the staff of The Washington Post.

BRIDGE

By Alan Truscott

ONE of the best overtricks of the year so far came on the diagrammed deal. The opening heart lead was won by dummy's queen and the top clubs were cashed. A club was surrendered to West, who shifted to a spade. South captured the jack with the ace and cashed dummy's two club winners. East had already given up two diamonds and gave up another diamond and a spade. The sequel proved this to be a subtle error, for after South cashed his A-K of diamonds the position was this:



When the diamond four was led to the queen West was in trouble. He could not spare a heart, and he could see that a discard of the spade eight would allow South to lead that suit for an endplay. He did the best he could by throwing the spade king, but South was ready for that. He led to the heart ace and played the spade nine, scoring dummy's ten at the finish. This gave him 11 tricks and a fine score because almost all the other declarers made just 10.

PEANUTS

BEEBLE BAILEY

CALVIN AND HOBBES

WIZARD OF ID

REX MORGAN

GARFIELD

DOONESBURY

DENNIS THE MENACE

JUMBLE

BLONDIE

SPORTS BASEBALL

Lemieux's 3 Goals, 3 Setups Lead Penguins Past Capitals

By Associated Press Staff From Dispatches... Lemieux's brilliance... Pittsburgh's normally sure-handed defense...

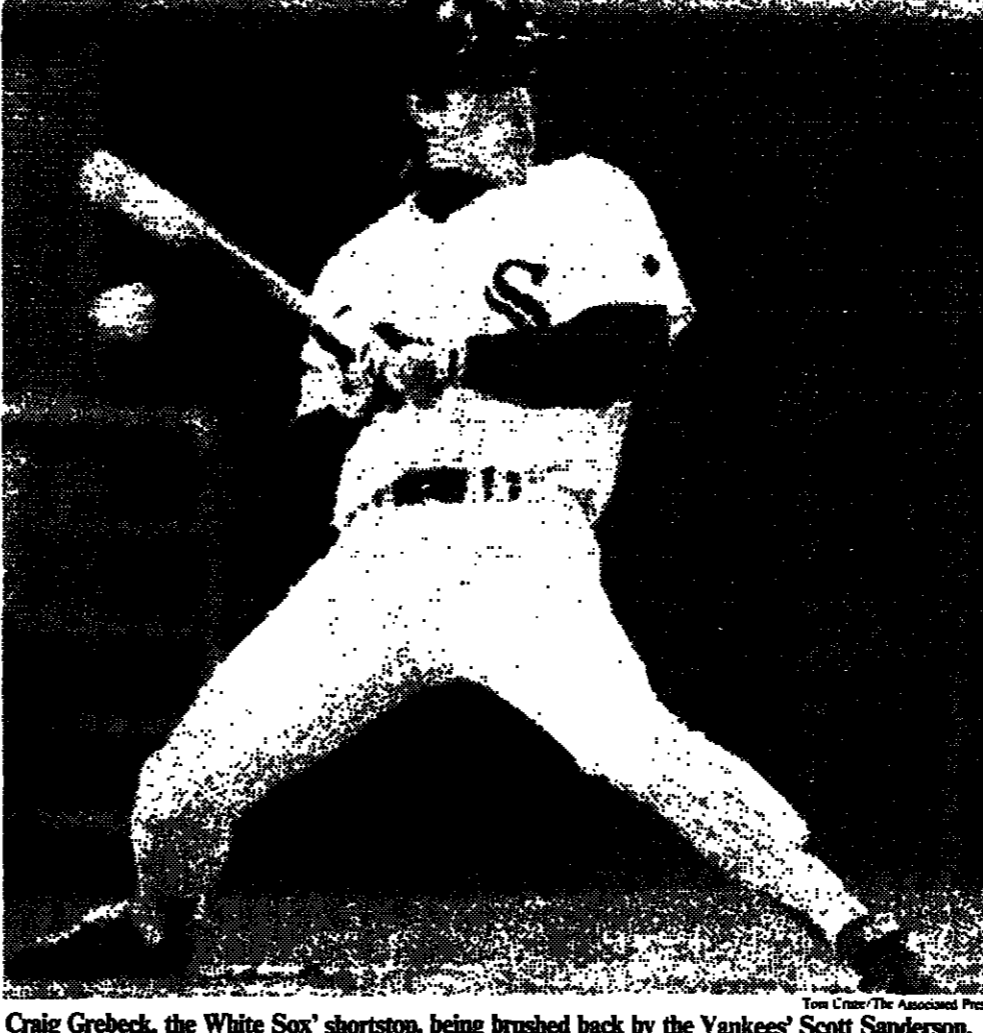
go-ahead goal at 7:35, beating Don Beaupre on a 35-footer from the top of the left circle off Lemieux's set-up... Lemieux then scored twice on the power play for a 5-2 lead...

power-play goal at 16:14 of the first period and Claude Vilgrain added an insurance goal early in the second...

STANLEY CUP PLAYOFFS... margin to 5-4 before Lemieux hit the empty net to give Pittsburgh its 10th straight home victory...

Washington's coach, Terry Murray, said the plethora of power plays — 23 in all — made it even tougher than usual to defend the NHL scoring champion...

Ted Donato and Bourque staked Boston to a 2-0 lead in the second period, but the Sabres tied it in the second on goals by Randy Wood and Pat LaFontaine...



Craig Grebeck, the White Sox' shortstop, being brushed back by the Yankees' Scott Sanderson.

Expos Make The Most of 5 Pirates Errors

The Associated Press... Pittsburgh's normally sure-handed defense was charged with five errors, including Mike LaValiere's first in 101 games...

LaValiere's glove. LaValiere was charged with the error... "It might be time to change the rule regarding errors in a case like that... I didn't have a chance to get a good grip on the ball."

NATIONAL LEAGUE... apart early on Thursday night in Montreal... "We didn't play very sharp. That happens to you from time to time..."

Philippis & Cubs 2: Kim Batiste hit his first major league home run and Tommy Green allowed two hits over seven innings...

SCOREBOARD

Table with columns for Baseball Major League Standings, American League, and National League.

BASKETBALL

Table with columns for NBA Playoffs, First Round, and Division.

ADAMS DIVISION... Montreal 13, Boston 7... Detroit 10, Philadelphia 4...

Orioles Shut Down Struggling Royals

The Associated Press... The Kansas City Royals completed the worst homestand in their 24-year history...

begin a weekend series Friday in Toronto against the bruising Blue Jays... Mussina, 23, has made 15 starts in the majors and 11 times has...

only 2 1/2 innings and gave up two runs on four hits and two walks... Blue Jays 13, Indians 8...

THURSDAY'S LINE SCORES

Table listing baseball game results for Thursday, including scores for teams like Boston, Cleveland, and Pittsburgh.

TRANSACTIONS

Table listing player transactions, including signings and trades for various teams.

AMERICAN LEAGUE

allowed fewer than three runs. The Orioles made it simple for Mussina, giving him an 8-0 lead in the sixth... "It's just so much easier when you get to pitch with a big lead like that..."

ADAMS DIVISION

Montreal 13, Boston 7... Detroit 10, Philadelphia 4... Toronto 10, Cleveland 4...

SIDELINES

American Sumo Wrestler Seeks Japanese Citizenship

TOKYO (AP) — Konishiki, the American sumo wrestler at the center of a debate over whether racism has blocked his promotion to the sport's highest rank...

Pernice Retains Lead in Tokyo Golf

TOKYO (Combined Dispatches) — Tom Pernice of the United States, the overnight leader, battled through gusty winds to shoot a 73 for a three-stroke halfway lead in the Dunlop Open golf tournament on Friday...

Court Refuses Bail for Tyson

The Associated Press... INDIANAPOLIS — Mike Tyson was turned down Friday by the Indiana Supreme Court in his bid to be free on bail pending an appeal...

TENNIS

MONTREAL — Assigned Miguel Batista pitcher to Indianapolis, American Association... PITTSBURGH — Assigned Tim Lincecum pitcher to Indianapolis...

FOOTBALL

WASHINGTON — Trying to grasp what's going on with the National Football League draft is like trying to grasp an eel. The truth is slippery...

HOCKEY

Table with columns for Stanley Cup, Division Semifinals, and Patrick Division.

BASEBALL

Table listing baseball transactions and player movements.

TRANSACTIONS

Table listing baseball transactions, including signings and trades.

Eel Theory of the NFL Draft

By Mike Freeman... WASHINGTON — Trying to grasp what's going on with the National Football League draft is like trying to grasp an eel. The truth is slippery...

I don't see it happening. When you get a chance to get greatness, you take it and you don't look back... But remember the eel theory. Is lrsay telling the truth, or trying to drive up the trade value of the two picks?

"I believe him for now," said Polian. "That's not to say it couldn't change if he's offered a deal he can't refuse..."

Canizales Keeps Bantamweight Title

PARIS (AFP) — Orlando Canizales of the United States retained his International Boxing Federation bantamweight crown on Thursday when he unanimously outpointed Francisco Alvarez of Colombia in 12 rounds...

For the Record

Deron Johnson, 53, who spent 16 seasons as a major league baseball player and most recently was batting instructor for the California Angels...

Large advertisement for AT&T USADirect service, featuring the slogan 'Feeling Misunderstood?' and a list of international access numbers.

DAVE BARRY

Budget Wedding Guide

Miami — As wedding season approaches, concerned young brides-to-be are constantly stopping me, sometimes by leaping in front of my car, and saying: "Dave, my family does not have a lot of money, but I want to have a nice wedding. What can I do?"

I tell these brides-to-be, even though money is tight, you can still have a wonderful wedding if you just sit down with your family and have a heart-to-heart talk about what a wedding is really all about — things like commitment, and caring, and trust. Then you should rob a string of convenience stores.

Your goal is to obtain enough money to have a Godfather-style wedding, which is necessary to provide you with all the essentials to set up your new household. You'll find all of these items advertised in the bridal magazines collapsing the steel shelves of newstands. These magazines contain articles for brides ("Grooms: Should You Have One?") and hundreds of full-page glossy color advertisements.

The message is that properly equipping a newlywed household is comparable, in terms of total hardware requirements, to Operation Desert Storm, except of course that Desert Storm did not require both formal and casual tanks.

Consider just your kitchen and dining gift needs. I have here the April-May issue of Bride's magazine, which has a Wedding Registry Checklist that includes, among other things, 21 categories of dinnerware, 22 categories of flatware, 17 categories of glassware (not to be confused with the 10 categories of barware), 24 categories of serving pieces and 34 of kitchenware.

I cannot overemphasize to you brides-to-be how essential it is for a household to have EVERY SINGLE ONE of these wares. My wife and I have been married for 17 years, and hardly a day goes by in our household when we don't have a conversation like this:

ME: Dear, where are the lemon forks?

MY WIFE: Formal or casual?

ME: Casual. I wish to probe a boil while watching "American Gladiators."

MY WIFE: They are with the demitasse spoons, behind the finger bowls and the compote?

MY WIFE: I have no idea, but I cannot imagine setting up a household without one.

So you must have a large wedding. And you must quit your job immediately so you can plan it. Planning a wedding properly takes longer than medical school, because the stakes are higher. If a doctor is trained improperly, the worst he or she can do is kill people, whereas an improperly planned wedding could result in a real disaster, such as the one that occurred at a recent wedding attended by a friend of mine named Cindy Seip, who swears this is true:

Everything went fine until it was time for the cutting of the cake. The problem was there was no cake. A catering worker had dropped it earlier, and, in Cindy's words, "It exploded." So the caterer had substituted a fake wedding cake, apparently a display model made out of a hard, plaster-like substance. The caterer's idea was that the bride and groom would just pretend to cut it, for the photos, and then the guests would be served some other cake.

When the groom found out about this, however, he became angry and started arguing with the caterer. Meanwhile, the master of ceremonies, unaware of what was going on, was announcing that it was time for everybody to watch the Happy Couple cut the cake. So all the guests turned and looked just in time to see the groom pick up the fake cake, shoot some bad words and THROW THE CAKE AT THE CATERER.

Wouldn't that be a fun reception icebreaker? Maybe the Cake Throw should become a wedding tradition, like throwing rice, or making the bridesmaids wear pastel yellow dresses that make them look like giant Easter-candy chickens.

Speaking of traditions: The April-May issue of Modern Bride magazine has an article titled "Wedding Superstitions," which contains, I swear, the following statement:

"An old Scottish belief for good fortune: A bride should be met at the door after the wedding by her mother, who must then break a currant bun over her daughter's head."

I believe that this tradition sums up the very essence of the modern wedding. I would add only that if the mother has no currant bun, she may, according to Miss Manners, use a compote.

Knight-Ridder Newspapers

A Nonconformist in a Radical Family

By David Margolick

NEW YORK — His father, Leonard, like his great-uncle, Louis, was a prominent civil liberties lawyer. His uncle, I. F. Stone, was a legendary muckraker. His sister and only sibling, Kathy, was a militant leftist who is now serving 20 years in prison for the murders of a Brink's guard and two policemen during an armed robbery that was to finance her revolutionary activities.

Michael Boudin, too, has been a nonconformist, but only within his illustrious and iconoclastic family.

In a twist that might perplex Mendel and fascinate Freud, Boudin emerged from one of America's most famous radical households, a place frequented by Benjamin Spock and Paul Robeson, to become a conservative lawyer in Washington.

For 21 years, Boudin practiced regulatory law at Covington & Burling, the powerhouse Washington law firm. He then served in President Ronald Reagan's Justice Department and, for one unhappy year, on the federal court in Washington.

In January, overriding a list of candidates from Governor William E. Weld of Massachusetts, President George Bush nominated the 52-year-old Boudin to the U.S. Court of Appeals for the 1st Circuit in Boston, a court that by all accounts is better suited to his temperament and erudition than the nit-picky trial court.

According to his mother, Jean Boudin, his father would have been immensely pleased, "if Michael gets that position, Leonard would come down from Cloud Nine and sit in the courtroom," she said.

The younger Boudin is a complex and private man; several of his closest friends and colleagues learned of his marriage to a Harvard Law School professor, Martha A. Field, a few years back only when they received mailed announcements.

But at a memorial service for Leonard Boudin in January 1990, two months after his death, she reflected on his relationship with his famous father.

"Relations with Leonard were, from my viewpoint, always sunny," he said. "He was for me a perfect parent — wise and devoted and considerate and charming — and I told him so."

News of Boudin's nomination has pleased his wide circle of admirers, who span the political and intellectual spectrum. They describe him as brilliant and conscientious, with an eloquence and breadth of interests almost unheard of among lawyers.

"Michael not only has this amazing intelligence and seriousness, but the most rare kind of intellectual honesty," said Judge Pierre N. Levai of federal District Court in Manhattan.



Top, Leonard, left, and Michael Boudin, and, bottom, Kathy and her mother.

Boudin, who lives in Cambridge with his wife and her three children, declined to be interviewed for this article.

In the questionnaire he completed for the Senate Judiciary Committee, he described the tenets of his judicial thinking: self-discipline in defining and exercising authority, particularly over statutes, but vigilance over constitutional rights.

As models, he cited, among others, three federal judges who once sat in New York: Henry Friendly, for whom he once clerked, and Judges Learned Hand and Edward Weinfeld. All, he wrote, "pos-

sessed a devotion to craftsmanship, a desire to derive order from complexity, and a great deal of common sense."

The elder Boudin seemed to represent anyone whose passport had been revoked, who protested American intervention abroad, who was dismissed for union organizing or who had been called before a congressional committee. His clients included Daniel Ellsberg, Dick Gregory, Julian Bond, Henry Miller and the Reverend Ralph Abernathy.

The younger Boudin did not represent people but entities. His cases have num-

like National Association of Regulatory Utility Commissioners v. FCC, or LO Shippers Action Committee v. Aberdeen & Rockfish R.R.

Leonard Boudin was extroverted and gregarious. Michael reticent and ascetic. Even in old age Leonard Boudin remained youthful, while from boyhood Michael seemed prematurely mature.

Leonard broke down barriers: Michael joined three private clubs — the University and Metropolitan Clubs in Washington and the Century Association in New York — when they barred women.

The path taken by the younger Boudin brings to mind perhaps the brightest star in the constellation of judicial conservatives: Judge Richard Posner of the U.S. Court of Appeals for the 7th Circuit in Chicago. His leftist parents made him donate his model train set to the newly orphaned children of Ethel and Julius Rosenberg, nearly 40 years ago.

Indeed, Boudin's only detractors are a few of Leonard Boudin's old allies, who view his son's career as a kind of betrayal.

"His career gives no suggestion that he would be sympathetic to the kinds of cases his father argued or the kinds of people his father represented," said Victor Rabinowitz, who practiced with Leonard Boudin for 31 years.

But if anything, the contrast between Michael and his sister Kathy Boudin is still more striking. In Michael and Kathy Boudin it was as if two strands braided neatly together in their father, the political activist and the legal craftsman, separated.

When Michael was reading contracts cases at Harvard Law School, Kathy, four years his junior, was picketing Woolworth's near Bryn Mawr. When Michael led the Harvard Law Review, Kathy studied in the Soviet Union.

While Michael clerked for Friendly and another judicial conservative, Justice John M. Harlan of the U.S. Supreme Court, Kathy worked with welfare mothers in Cleveland. And while Michael was making partner at Covington & Burling, Kathy was making bombs in Greenwich Village.

While Leonard Boudin knew of his daughter's whereabouts during her 11 years as a fugitive, Michael apparently did not. For more than a decade the topic of his troubled sister, who is now in Bedford Hills Correctional Facility in Westchester County, is one that even Michael's closest friends know better than to broach.

After years spent out of touch, brother and sister are said to have grown closer. To the elder Boudin, however, the ultimate civil liberty was for a son of daughter to be who he or she pleased, and friends say that until his death he remained definitely proud of both.

PEOPLE

Trump Menaces His Ex With Block on Alimony

Here's the latest installment of Trump: The Divorce. Donald Trump, the real estate developer whose casino are in bankruptcy proceedings, is threatening to withhold this year's \$350,000 alimony payment to his former wife, Ivana. At a hearing, Donald complained, she had violated an agreement to keep quiet about him and their marriage when she said in an interview that she had gotten her ex-husband's last \$10 million. Ivana agreed to the gag clause in exchange for a \$25 million settlement.

The French film star Béatrice Dalle, 28, punched and kicked a photographer into submission after he tried to take pictures of her on location in Pontoise, a town outside Paris. The actress, known for public displays of temper, punched Roberto Cristofoli on the nose and kicked him several times in the ribs. His paper indicated he would not press any charges.

Emilio Garcia Gomez, 87, was awarded one of Spain's prestigious Principe de Asturias prizes Friday, in recognition of his work in Arabic language and culture. The prize carries an award of the equivalent of \$50,000.

A Victoria Cross awarded to a young World War II pilot killed during a raid by 1,000 bombers on Germany was auctioned Friday for \$27,200 (\$100,000). Christie's auction house in London says the medal is Britain's highest decoration for battlefield courage and was given posthumously to Flying Officer Leslie Munn, who was 20 when he flew on the Cologne raid of May 30, 1942, and remained at the controls of his plane to allow his crew to bail out. "No Victoria Cross has been more gallantly earned," wrote Air Marshal Sir Arthur Harris, leader of Bomber Command, to the pilot's father.

The Public Theater, founded by the late Joseph Papp as the home of the leading American nonprofit theater group, has been renamed after him. Papp, who died Oct. 31, saved the grand 19th-century Greenwich Village building from demolition in the 1960s. The actors Sam Waterston, Reed Judd and Alec Baldwin were on hand for the ceremony.

Today's SPECIAL REPORT ON ARTS & ANTIQUES. Appears on Pages 7 through 10. PERSONALS ANNOUNCEMENTS. THE HIT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE. In the U.S., call TOLL FREE 1-800-882-2884. In New York, call (212) 752-3890.

INTERNATIONAL CLASSIFIED

ANNOUNCEMENTS BUSINESS SERVICES REAL ESTATE FOR SALE REAL ESTATE TO RENT/SHARE EMPLOYMENT LEGAL SERVICES. Includes various international job listings and real estate advertisements.

EDITH BRIGITTA FAHRENKROG. SAY YES TO A PARTNERSHIP THROUGH THE INTERNATIONAL PARTNERSHIP AGENCY WITH ABSOLUTE PERSONAL ASSISTANCE. GIVE ME YOUR FULL CONFIDENCE. CALL ME EVERY DAY ALSO SAY YES TO GERMANY, ELLENHOFENHART 11, D-4400 FRANKFURT AM MAIN 1, FRG. TEL. (0) 161/263-49 00.

ANNOUNCING THE ADDED VALUE IN MOVING. ACTION INTL MOVES. Homebased. Small & medium sized, baggage, car, wardrobe, car, etc. Call for more info. Tel: (0) 42 81 81 floor Operat.

POSITIONS WANTED. DYNAMIC SWISS MALE. Trained by top Spanish International School. Excellent references. Personal references, Washington D.C. Bath only.

NEEDS IMMEDIATELY. FULL-TIME OPERATOR for prominent family with excellent reputation in Paris, Geneva, and New York. Move fully prepared. Applicants may have 5 to 10 years experience predominantly in France. No degree or other degree.

Place Your Classified Ad Quickly and Easily in the INTERNATIONAL HERALD TRIBUNE. HEAD OFFICE: Paris (for classified only). Tel: (1) 46 37 92 85. Fax: 61 63 95. Tel: (1) 46 37 92 85.

كلمة الامل